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Global Implications of European Integration:
Its Geo-political Impact and Lessons for East Asia

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It was 45 years after the end of the Franco-Prussian war of 1870-71 that Germany and France once again went to war. On 28 July 1914, the World War I started with Austria declaring war on Serbia and other major powers joining the war. It ended with the defeat of Germany on 11 November 1918.

France and Germany went to war on 1 September 1939 again; 20 years, 9 months and 21 days after the end of the World War I. It started with the German invasion of Poland upon which France and Great Britain declared war on Germany. On 15 1945, the World War II ended finally with the defeat of Japan.

Thus the history of war shows that it was in Europe where the major world war broke out twice within a generation. It is very dangerous to extrapolate the history based on an unrealistic hypothesis but for the sake of argument, let us try to extrapolate the duration between the World War I and the World War II, i.e. 20 years, 9 months and 21 days to the post-war period and find out the corresponding date. The day was 5 June 1966.

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In that year, there was no sign of any hostility among nations in Europe. Unlike in old days, France and West Germany were strong allies. The European integration was making a good progress. In that year, the merger treaty of three Communities was signed. Next year, the United Kingdom was once again to apply for the membership of the European Communities and Mr. Jean Rey was elected as the first President of the integrated European Commission.

We have to ask, then, how was it possible for Europe to overcome the past animosity and conflicts that led Europe to the World War I and II. What was the main factor that contributed to the elimination of historically potential conflicts that were the causes of two world wars?

There can be several hypotheses to explain the reason as to why the historical animosity did not materialize in Europe after the World War II to divide Europe towards another major war. I would say that the European integration movement that started soon after the World War II was one of the main contributors to the peace and stability in the post-war Europe and the world beyond.

It could also be possible to hypothesize that with an increasing Soviet expansion in Eastern Europe, had it not been the deepening and widening process of European integration, the Western Europe could have become easily a prey to the socialist expansionism at the time. However, Europe was able to maintain its independence as well as peace, stability and prosperity in the face of Soviet expansion, eventually eclipsing the Soviet influence once and for all when the socialist system collapsed in the late 1980s.

It was a remarkable feat but more remarkable was the fact that the nations which went to major war twice in their people's life time were able to reconcile and worked for closer cooperation in peace and stability.

It is entirely due to the European integration process that the once hostile nations came to reconciliation and cooperation. In the center of this process and movement and the realization of ideals were idealists such as Jean Monnet and Robert Schuman and the political leaders such as Charles de Gaulle and Konrad Adenauer. It was these idealists where the idea of European integration originated and it was these political leaders who were forceful and effective enough to lead their people to bury their old grudges and to work together towards realizing the idealism of one Europe for the future generation.

Europe was fortunate to have such idealists and political leaders who were brave enough to chart a totally different course of history after the World War II. The successful integration of Europe has several global geo-political implications. When Europe was

divided and fragmented, Europe's influence on global geo-politics was insignificant. Rather it was the powerful sovereign state in Europe such as Great Britain or Germany which individually played a geo-political role for the sake of its own national interest. For example, Great Britain in the 18th and 19th century was a very influential, imperialistic global geo-political player.

However with the process of European integration which originally started with 6 member states and has now 25 member states encompassing most of Europe, European Union is a strong voice in the workings of international political system. The crucial problem here is whether the European Union should have a completely supra-national authority on certain issues over the individual member state or not. It is yet too early to expect that but this is what the European federalists ultimately want and demand.

In addition to the increased geo-political role of the European Union in the global affairs, the European integration has had immense impact on the regional cooperation elsewhere. At the end of the World War II, there were two schools of thought and practice in the area of international economic and trade policies. One was the school represented by those who wanted to go beyond the regional arrangement of the free trade area through to the customs union, then the economic union, eventually leading to the political union. This position was represented by the original members of the European Communities (EC), i.e. Benelux countries, West Germany, France and Italy.

On the other hand, there was another group of countries which wanted to have a broad-based free trade agreement without going further deeply into the process of economic integration interfering with internal economic policy making of member states. It was the European Free Trade Area (EFTA) of which Great Britain was the dominant player at the time and most of its member states were for multilateralism and suspected that regional integration may be another form of protectionism. ,

However, it is true that European integration stimulated political as well as academic interest and discussion all over the world and greatly helped proliferate the number of regional groups all over the world. East Asia can not remain unaffected from this trend of regional integration. What then are the lessons that East Asia should learn from the experiences of the European integration?

Western Europe and East Asia are two areas of great geo-strategic importance. Essentially both World War II and the Cold War were fought and won in these two extremities of Eurasia. What is more, these two regions remain the most strategically sensitive areas in the world.

During the Cold War period, our two regions developed in quite different ways. Drawing strength from regional framework such as the European Union and NATO, Western Europe has come a great distance in its epoch-making integration process. Moreover, with the Helsinki process and the OSCE, it is now expanding security cooperation beyond Western Europe with much success and great promise. Security had been the primary concern for all European nations for many centuries. But now, for most European states, security is no longer the chief policy preoccupation. The economy and social well-being have become priority issues.

Unlike Europe, East Asia is still fraught with looming security uncertainties; for one thing, the power configuration seems to be in tectonic transition with a rising China, a reconsolidating Russia, a reassertive Japan, a nuclear program developing North Korea and a United States with a renewed commitment to the region. East Asia's dense population, great economic dynamism and huge military build-up compound these uncertainties.

Most experts agree that, in the coming decades, a rising China, with both its strengths and weaknesses, will constitute the single most critical strategic factor in East Asia and beyond. It continues

to enjoy phenomenal economic growth lending credence to the Napoleonic prophecy; “quand la chine s’veillera, tout le monde tremblera”. Yet, structural weaknesses such as found in state enterprises, the financial sector with huge non-performing loans and the disparity between the cities and rural areas and between the rich and the poor do make the Chinese economy vulnerable. The seemingly intractable Taiwan issue is an enormous security burden as well, both domestically and internationally.

In the final analysis the question seems to boil down to one essential element: China has been, throughout its long history, basically a status quo power with centripetal and inward-looking tendencies. Will this basic posture change? This is essentially beyond our power to predict or control. The best bet for the international community and East Asian countries in particular appears to be continuing engagement with China. China’s accession to the WTO, its hosting of Beijing Olympics in 2008 and International Exposition in Shanghai in 2010 are positive signs in this regard.

The US-China relationship, along with US alliance arrangements with Korea and Japan, can be considered the most important pillars of peace and security in the Asia-Pacific region. Japan, the second largest economy in the world, is at the end of a long tunnel of a decade old recession and is finding its rightist voice louder than before, raising concerns in neighboring countries. Japan’s alliance with the United States as well as growing interdependence in East Asia remains the best guarantee of peace and security of the region.

Though confronted with multiple security problems, East Asia does not appear to be heading towards armed conflict. Globalization has replaced imperialism as a prevailing trend even in this region. The spectacular revolution in communications and transportation, coupled with the triumph of democracy and the market economy, has ushered in the defining phenomenon for the future; globalization. Interpreted in the context of geo-political relations,

globalization means ever closer interdependence among nations in the region. This interdependence is rendering armed conflicts between nations very unlikely.

Against this backdrop, I would like to express some of my views on how to conceptualize the East Asia Community.

We have to remember that the European integration had basically gone through two stages. The first was to prevent any future conflict among the member states and the second was to promote mutual development and harmony in the future. They postulated that with the first, the second was difficult to obtain. Thus the first was viewed as a necessary condition to fulfill the second.

The manifestation of the first was the Treaty of Paris of 1951 that that of the second, the Treaty of Rome of 1957. The Treaty of Paris was the basis of creating the European Coal and Steel Community to put the principal war materials under the common control and management of member states. The Treaty of Rome was the basis of the European economic integration which led to the common market and monetary integration, and hopefully for political integration. The Treaty of Paris was to deal with the past while the Treaty of Rome was to deal with the future.

What did we in East Asia learn from European integration? I don't think we learned much, if at all.

There is no doubt that the proliferation of regional integration and grouping in one form or another owe a lot to the experience of European integration. But I am afraid that the idealism and the grand political leadership which initiated European integration movement are clearly lacking in other regional integrations. The economic integration has become very much a functional exercise, rather than a political act as was the case in Europe. In many regions of the world such as Latin America or Africa, this approach may be acceptable and even a useful tool to ultimately enhance the

economic welfare of the region.

But in East Asia, particularly in Northeast Asia with a long history of wars and conflicts in the background, there is still a growing rivalry in all areas of politico-economic life among some nations, particularly between two major powers, China and Japan. Two major powers seem to desperately compete for more influence with member countries, particularly ASEAN countries.

With the accelerating rivalry between major powers and in the absence of past-mending measures, the only remaining alternative to East Asia integration seems to be to go for a functional approach. The mere functional approach to regional integration in East Asia. I am afraid, will miss the original noble political idealism that initiated the European integration.

Frankly speaking, even if we were to take a very functional approach, it will take a long time before an East Asia Community becomes a free trade area, let alone a customs union or a common market. It will take even a longer time for an East Asia Community to arrive at the lowest level of the political integration that European Union has already achieved.

I have perhaps offered you a too critical review of the East Asia Community. This is perhaps because of my training as a professional economist having specialized in regional integration, with particular reference to European integration. Frankly speaking and ideally, I would have very much liked to see the regional integration in Northeast Asia first, as a core of East Asia Community which then can have been expanded to include other members of East Asia. I may have other opportunity to expound my view on this particular form of integration elsewhere.

However, the political scientist's assessment as well as the public response on the formation of the East Asia Community may be different from that of analytical economists. They might view the

whole process as positive and path breaking. After all, East Asia Summit in Malaysia in December would be remembered as an important event that succeeded in the gathering of the heads of state in East Asia for the first time in Asia's history.