## 学位論文の要旨(論文の内容の要旨) Summary of the Dissertation (Summary of Dissertation Contents)

論 文 題 目

Dissertation title

EAST ASIAN ECONOMIC INTEGRATION AND TAIWAN

- TAIWAN'S SPACE IN REGIONALISM

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The new regionalism study in East Asia is primarily connected to top-down regional cooperation approach. Such an approach discussed the effects of economic cooperation (e.g. FTA) with aim to boost the business activities in private sector. In relation to that, the current bilateral FTA has become an active trade agreement between regional trades' partners. As a result, many of these regional members are turning bilateral FTA into a multilateral trade agreement. Proliferation of FTA in classical theory of regionalism is recognized as the lowest rank in the process to accomplish regional community status. At the first stage of FTA, FTA stage is defined by the tariff, quota and limitation to be removed in the particular region among member states. The next stage of regionalism would be the custom union which implied the status where the particular region has agreed on a single external tariff rate.

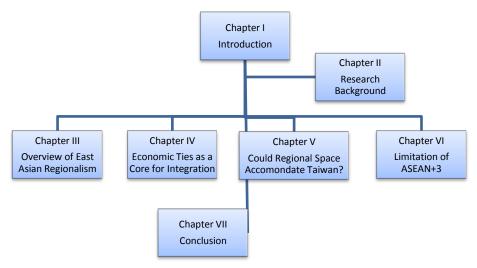
The involvement of regionalism in East Asia is running farther behind the European style of regional grouping such as European Union (EU). The achievement of economic integration status by EU has become a learning model for other region in the world including East Asia. The creations of regional grouping such as ASEAN, ASEAN+3 or East Asian Summit are intended to make East Asian as a single market. The final goal of this regional cooperation would be to turn East Asia into a regional community that would allow free movement of trades and people. Accordingly, ASEAN was created with objective to turn SEA countries into a single market (ASEAN Economic Community) by 2015. Unfortunately, until today ASEAN remains a fragile and disintegrated regional entity, despite of the creation. To date, ASEAN is unable to operate as an integrated group and continues to function under the principle of unanimity. Similar situation is seen in ASEAN+3 which function under a strong political influence. Nevertheless, ASEAN and ASEAN+3 are regional grouping actively working to reduce trade barriers aiming to realize regional

economic integration in the future.

Despite of lacking integrated intimation, ASEAN+3 has become an inevitable regional financial cooperation with potential for further expansion. The exclusive way of regional cooperation in ASEAN+3 make alarms of the excluded regional member. For Taiwan, this extensive exclusion is seen as a warning of a probable escalation of the cost it has to bear. In addition, due to the state of ignorance by regional members, Taiwan's marginalized issue (i.e. for the country inability to conclude basic FTA with important trading partners) has become more intensified. The trend of regionalism is moving towards state-led regional cooperation, therefore disadvantage to ambiguous regional status of Taiwan. Despite of the great desire for Taiwan to participate in regional group, they are hampered by disadvantages of FTA condition and some other existing unrecognized situations. Furthermore, the fact that ASEAN+3 being a political means regional grouping dominant by China, it is almost impossible for Taiwan to break through. Therefore, the idea of forming ASEAN+4 developments remains impossible in East Asian regionalism study as long as "one China" principle prevails.

Despite the country's political condition, Taiwan is enjoying the freedom of trade under the loss concept of regionalism. Difficulties in concluding FTA with trading partners induced Taiwan's policy-makers to come out with some workable ideas. One of it was that the need for the country to work on a pragmatic strategy which requires bilateral trade agreement with China. This is due to inability to participate in regional group entity. The concluded ECFA has made improvement to Taiwan economy, which otherwise, stagnant. In addition, ECFA has given Taiwan's potential FTA partners reassurance and guidance for negotiating FTA without offending China. Taking Singapore and Taiwan for instance, these countries have had a long intimate relationship, officially granting them trade agreement negotiation without stirring third party objection. Singapore has been playing an important intermediate role since Singapore was under Lee Kuan Yew administration and Taiwan was ruled by Chiang Ching-kuo in 1970's and 1980's.

Taiwan's space in regionalization was built before ASEAN+3 creations and the spread of business leads connection. The latter occurred gradual influence on inter-governmental forums and treaties has deteriorated Taiwan's demerit situations. In such a trend of regionalism, Taiwan forced to seek after a position as one of East Asian member. Even though there is no position for Taiwan in ASEAN+3, the regional space is an invisible room for Taiwan to fill in. Nonetheless, Taiwan should use this advantage to expand its economy and solve its severe marginalization judiciously. The giving of space instead of position is so that any possibility of Taiwan to encounter political confrontation with China remains void. Besides, this situation would encourage the expansion of Taiwan economic field's in regionalism. In conclusion, as long as Taiwan reserves from triggering the cross-strait issues, Taiwan's space in East Asia would be well secured given the country's prosperous economic entity.



## Research Structure

In order to provide a clear image of the whole research, the thesis was constructed according to the research structure above. The thesis basically consists of four main chapters to explicate the research objectives in order to deriving a constructive conclusion. The Chapter III, under the title "Overview of East Asian Regionalism" concerns the study of East Asian regionalism chronicle that focus on EAEC. In this chapter, the final part discusses the missing of Taiwan in regionalism despite of undeniably Taiwan's huge economic involvement in East Asia. In underlining Taiwan's economic connection with ASEAN and China, Chapter IV "Economic Integration as Facilitator" enlightens the triangular relationship among ASEAN, China and Taiwan by the use of economic indicators. The third main chapter under the title of "Could Regional Space Accommodate Taiwan?" focuses on historical encounters and diplomacy struggles in Taiwan marginalization issues. The final main chapter, Chapter VI "Limitation of ASEAN+3" discusses the sticky situations of the members in ASEAN+3 in both economy and disputed islands issues. The explication in four main chapters would finally bring the research to some pragmatic conclusion following diagnosis of the regional condition on "the road to economic cooperation".

Asia as a whole is a dynamic region. ASEAN members are divided according to respective economic development needs in which national interest is a barrier. In fact the East Asian governments are integrated pragmatically to reach their own goals. They are not in the regional activity to seek for a close integration but tactical integration to intimate into the globalize environment. Taiwan's discomfited status in the international arena could be different in private sector and formal standing. Apparently, the interaction between Taiwan and ASEAN in microeconomic is regard as smooth without barriers. They are freely to trade with each other without engaging with formal agreement that could challenge China's tolerant level. Taiwan had a close trade record with ASEAN before China surpassed Taiwan as ASEAN's top trading partner in 1998.

Although, the growing economy of China is serving to ASEAN's interests, none of the members have actually believed China will arise in disciplined way. Even

though, most of ASEAN countries hold diplomatic relation with China and acknowledge Taiwan is part of China, they are still having vague economic diplomacy with Taiwan. Especially, a few cases that was mentioned above, the visit of Lee in 2004 and a trip made by Malaysian Minister of Transport in 1998 to Taiwan. Although, Malaysia began the diplomatic relation with China in 1974, Malaysia restricts the ministers to make official visit to Taiwan in 2004. Practically, not until China becomes influential economic power, SEA members do not act seriously on cross-strait relations.

The verity of China's direct influence on Taiwan international space issue is a matter of truth. The remarkable of growing China domestic economy and extending external economic power has nevertheless threaten Taiwan efforts to break through the marginalization issue. These inevitable realities of changing political environment have reveals the source of Taiwan international space is non-longer in the hand of state governance. Contrarily, the decision to bring in democratic system to Taiwan has educated Taiwanese the value of human right as a Taiwan citizen.

Although an aggressive China may perhaps bring China's longing power, it could also results sympathy on the weak side. Since East Asian members have the shortcoming to segregate politics and economy issues, it always result an inefficient practice in problem solving. By considering the current unpleasant regional relationship especially on disputed island issues, Taiwan should not panic on its economic marginalization concern. In fact, Taiwan should continuing practicing "flexible diplomacy" as there is a slight chance of breaking through the regional space. To Taiwan the bilateral trade discussion seems to be more realistic to its current strained regional space compared to multilateral regional forum. Alternatively, the high frequency on disputed islands event was testing the ASEAN+3, that it is not ready to facilitate the peace-maker job. Even though, the disputed islands issue has directly involved half of ASEAN+3 members, China has nevertheless is still insisting on bilateral solution and breaking away from multilateral negotiation.