Volume 3 | Issue 10 | Article ID 1815 | Oct 12, 2005

China's Rise in Southeast Asia: Implications for Japan and the United States

Elizabeth Economy

China's Rise in Southeast Asia: Implications for Japan and the United States

By Elizabeth Economy

[*This is a comprehensive contribution to an ongoing discussion of East Asia and the Pacific in an era of transformation. Earlier contributions by Gavan McCormack and Wada Haruki (on Northeast Asia), by David Rosenberg (on China and Southeast Asia), and by Lora Saalman (on the changing Chinese-Indian-U.S. strategic relationship) all raise issues posed by the rise of China as a major economic power in Asia and globally, and the repercussions of changing power relations reverberating throughout Asia. Noting that China remains a distant third to the U.S. and Japan in trade and investment in East and Southeast Asia, Economy highlights China's rapid advance, above all in the realms of economics and finance, but also extending to a broad realms including governance, the resolution of territorial conflicts, the environment and others, with particular reference to Southeast Asia. At a time of rising China-Japan tensions, China appears to be making major multifaceted gains throughout Southeast Asia. This article also examines the possibilities of regional trajectories in which the U.S. role is sharply reduced. Japan Focus*]

Introduction

During the past few decades, China's foreign policy has undergone a remarkable transformation from one predicated on China as a developing country consumed with issues of domestic concern to one that acknowledges and even celebrates China's potential as a regional and global power. Particularly since the turn of the century, China's economic success has enabled it to pursue a greater role on the international stage, backing up its claims to regional and global leadership with growing economic and military might. Nowhere is China's presence more keenly felt than within Southeast Asia, where increasing Chinese activism is met with a combination of both enthusiasm and significant trepidation.

There are clear signs of China's more active diplomacy, including growing trade relations, the signing of numerous cooperative agreements, and an increasing number of high-level visits to the region by senior Chinese officials. Chinese trade officials have trumped their Japanese counterparts, marching through Asia to structure a regional free trade agreement. Chinese development assistance is flowing freely to Laos, Burma, and Cambodia, and China is becoming the destination of choice for foreign direct investment (FDI) and trade from its wealthier East Asia neighbors. In the security realm, China has put forth several proposals to develop new security arrangements based on principles of mutual cooperation and security and is pursuing bilateral security arrangements throughout the region. Even in the arena of transnational issues, such as public health, drug trafficking and the environment, a source of significant contention between China and many of its neighbors, Chinese officials have been promising and delivering on new initiatives.

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

China's diplomatic offensive in Southeast Asia has raised questions in the U.S. and throughout Asia concerning the nature of China's rise and its implications. Advocates of a China threat scenario have long argued that China desires regional hegemony and that U.S.-China relations in this regard are a zero sum game. Analogies are made between the rise of China and that of Nazi Germany or Imperial Japan: China's rise will necessarily be highly disruptive to U.S. preeminence in the global system, stability in Asia, and the international system writ large.[1] Others paint a picture of China returning to the glory days of the Middle Kingdom, using its economic might to establish an empire with tentacles reaching out throughout most of Asia and transforming its neighbors into little more than vassal states.[2] Still other analysts argue forcefully that China's rise can be managed through integrating the country into international norms and regimes, thereby ensuring that China has a stake in preserving the status quo.[3] In this scenario, as the Chinese themselves have insisted, China's rise will be peaceful, serving an ameliorative function in international affairs: enhancing global security, promoting peaceful trade, and addressing transnational challenges.

Such debate arises against the backdrop of a perception among some scholars that China's aggressive engagement with Asia contrasts starkly with a policy of relative neglect by the United States, the region's traditional hegemon. The Asia strategy President Bush enunciated at the outset of his term focused overwhelmingly on East Asia: militating against the rise of China, ensuring peaceful relations between Taiwan and the mainland, and enhancing ties with America's traditional allies and trading partners, South Korea, Taiwan and Japan. Relations between Southeast Asia and the United States were perhaps well described as "a policy without a strategy."[4] While U.S. relations with Southeast Asia, as with most of the world, seemed to develop common purpose in the wake of the terrorist attacks in New York and Washington, D.C. on September 11, 2001, over time, much of this shared sense of purpose has dissipated. The White House's doctrine of pre-emption, unilateralism, and invasion of Iraq led to a precipitous decline in America's reputation among many publics throughout the world, including those in Southeast Asia. Moreover, President Bush's singular focus on security issues, such as the war on terror and the North Korea nuclear threat, during his time at the 2004 APEC summit, did little to persuade many regional leaders that the White House understood the region's priorities of domestic economic development and political stability.

The contrast between the perceived "rise of China" and "decline of the United States" makes it easy to reach the conclusion that China is beginning to stake its claim as the region's hegemon, that the region will welcome China's advances, and that the U.S. is ill-positioned to meet this challenge. Still, we need to question whether such an assessment is accurate. And, if it is, does it matter? And if we answer both in the affirmative, what are the long-term implications for the United States?

Does it Matter?

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

To take perhaps the most important question first: does it matter who holds top billing in Asia? At some point it might not, but right now it clearly does.

The economic and security significance of Southeast Asia to the United States is well established. As the Council on Foreign Relations task force report The United States and Southeast Asia: A Policy Agenda for the New Administration pointed out in 2001, "Southeast Asia's importance should be evident: it is home to almost 525 million people, commands a GNP of greater than $700 billion, is our fifth-largest trading partner, holds a position of great geostrategic consequence sitting aside some of the world's most critical sea-lanes (the Strait of Malacca, through which nearly half of the world's trade passes), and features a growing number of emerging democracies."[5] Perhaps most important in the current political context, U.S. leaders view Southeast Asia as a fertile breeding ground for terrorist activities.

The preeminent role of the United States in Asia, moreover, has permitted the U.S. to help shape regional politics in ways that directly serve U.S interests. For example, in 2001, in the immediate wake of the terrorist attacks against the United States, President Bush successfully reoriented the agenda of the APEC leaders' summit in Shanghai away from trade and investment to terrorism. It is a focus that has remained in each APEC summit since, despite the grumblings of many members. At the 2003 summit, APEC members enshrined the war on terror in the final declaration, stating that transnational terrorism and the proliferation of weapons of mass destruction pose "direct and profound challenges to APEC's vision of free, open and prosperous economies." They further agreed to commit APEC "not only to advancing the prosperity of our economies but also the complementary mission of ensuring the security of our people."[6] This trend continued at the 2004 meeting in Santiago, where combating terrorism once again found its way into the post-meeting declaration [7] and President Bush delivered a speech publicly warning "Axis of Evil" members Iran and North Korea about their nuclear ambitions.[8]

Within Asia more broadly, the United States has played a critical role in trying to ensure the security of the region. The ability of the Bush administration, for example, to engage all five other relevant nations to support the six-party talks on the North Korea nuclear threat has been essential to re-engaging North Korea in a manner that may finally achieve a verifiable and enforceable agreement.[9]

Moreover, issues such as public health, environmental protection, human rights, and drug trafficking all suggest that Asia needs the United States for its commitment to transparency, openness, and human rights protection; a commitment that China does not evidence consistently, at least at the present time. And finally, as already noted, Asia's role in shaping the future of the U.S. economy also argues for the U.S. to retain a dominant role in the region.

Is it True?

What is the reality of China's new diplomacy and what does it portend for U.S. influence in the region? China's rise to date appears to be much less about the "inevitable conflict of rising power" theory popular in some circles than about creeping power transition. Chinese thinkers, themselves, have recognized that the international community is concerned by the potential implications of China's rise and have taken pains to ensure that China's rise is perceived as non-threatening.[10]

In spring 2003, China's leaders signaled a dramatic shift in the country's foreign policy approach. Senior Party adviser Zheng Bijian publicly articulated the leaders' new vision as

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

heping jueqi or the peaceful rise of China.[11] According to Zheng, this rise has been occurring since 1978 and will continue until the mid 21st century. The pronouncement acknowledged a transition from a foreign policy that had been predicated on China as a developing country consumed with issues of domestic concern to one that declared China's potential as a regional and global power. At the same time, within China, it was viewed as an important counterweight to the prevalent "China threat" or "China collapse" theories in the West.[12] One of the central tenets is that China will never seek hegemony. Li Junru, Vice-President of the Central Party School, explicitly outlined the benefits to China's neighbors, stating, "China's rise will not damage the interests of other Asian countries. That is because as China rises, it provides a huge market for its neighbors. At the same time, the achievements of China's development will allow it to support the progress of others in the region."[13] Although debate over the utility and accuracy of the "peaceful rise" theory continues within Chinese policy circles, asserting such a strategy was a diplomatically skillful move calculated not only to declare China's intentions but also to reassure others concerned about China's growing economic and military strength.

To realize this peaceful rise, China is using a sophisticated blend of trade, confidence building measures, and even development assistance to establish itself as an important regional leader. Even though it is far from supplanting either Japan or the United States as the most important regional player in economic or security affairs, it is steadily building bridges with other countries in the region and demonstrating a willingness to step into the breach when American or Japanese leaders hesitate to take action. Over the past few years, China has received much acclaim in the region for its multilateral approach, its ability to understand the needs of regional actors, and its desire to address the region's concerns.

At the same time, many in the region remain wary of China's growing activism, fearing the PRC will swamp the region economically and over time use its military might to establish a much more active role in policing the region. Too, China's relations with the countries of the region vary significantly from close economic and military ties with Burma to growing economic linkages and lingering suspicions with Vietnam.

Moreover, discussions with officials throughout the region suggest that China has yet to assume a real leadership role outside the realm of trade. With regard to transnational issues—health, crime, and environment, among others—China is often a major contributor, if not the primary source of the challenge.

President Roh Moohyun of South Korea (left) and Premier Wen Jiabao of
China flank Japan's Prime Minister Koizumi Junichiro in a 2004 shot.

Driving Regional Economic Growth

China's greatest advances in the region have come in the economic realm. In 2000, former Philippine President Estrada said, "Frankly, I think China wants to take over Asia."[14] But China has worked hard to assuage such fears.

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

Yang Jiechi, China's Ambassador to the United States, stated in a speech to the Asia Society in 2002 that the "rising tide lifts all boats," intimating that as China succeeds, so too will the rest of Asia.[15] While some regional officials and analysts were initially skeptical, China's actions largely appear to support such rhetoric. In 2004, Malaysian Prime Minister Abduallah Ahmad Badawi stated, "China is today a creator of prosperity of the highest order. Political and social linkages are bound to eventually follow suit. It is therefore important to use every opportunity and establish ties."[16]

Yang and Badawi's claims are supported by China's growing role as an engine of economic growth for the region. During 1995-2002, China-ASEAN trade grew an average of 19% annually; in 2002, it reached a record $54.8 billion—an increase of 31.8% from 2001.[17] In 2003 it topped $78 billion,[18] and Chinese officials claim it passed $100 billion in 2004.[19] From the perspective of Southeast Asia, China's trading patterns are particularly beneficial; Southeast Asia as a whole maintains a trade surplus with China of US$8 billion annually, largely from its enormous exports of raw materials and precision machinery.[20]

At the same time, China has been actively pushing for a regional free trade agreement that will encompass Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand in 2010 and incorporate Vietnam, Laos, Myanmar and Cambodia by 2015. Experts have suggested that once the China-ASEAN FTA is established in 2010, China's exports to ASEAN will grow by $10.6 billion or 55.1%, and ASEAN's exports to China will surge by $13 billion or 48%.[21] The total trade volume will reach $1.2 trillion.[22]

China also agreed to an "Early Harvest Package" that is perceived by the region as "largely a concession by China" to provide early benefits through tariff reductions on 573 products including agricultural and manufactured goods.[23]

Individual Chinese entrepreneurs are also expanding China's economic reach throughout Laos and Burma. In some areas, locals now use only the yuan and speak Chinese.[24]

Still, skeptics could point to the fact that both Japan's current trade with ASEAN (almost $136 billion in 2004) and that of the United States (more than $136 billion in 2004) significantly exceed that of China. And the response to China's growing economic presence in the region has not been uniformly positive. In some sectors, China's expansion is not welcome: electronics, furniture, motorcycles and fruits and vegetables are just some of the areas in which Chinese goods have begun to supplant those produced in Southeast Asia.[25] In both Indonesia and Malaysia, people complain that jobs are being lost to China. The surge in Chinese textile exports since January 2005 has also produced stiff competition for countries such as Cambodia and Vietnam. A growing Chinese economic presence could also fuel latent resentment against the sizable population of Chinese economic elites in the region.

Overall, however, trends suggest that both China and Japan are offering growing markets for Southeast Asian goods and producing more goods desired by Southeast Asian countries. Japan-ASEAN trade jumped from $119 billion in 2003 to $135.9 billion in 2004,[26] while U.S.-ASEAN trade has remained relatively stagnant, increasing from roughly $130 billion in 2003 to $136 billion in 2004.[27] Such trends are likely to continue as both Japan and the United States proceed far more slowly in developing free trade agreements with regional actors than China. Thus far, the United States has established bilateral free trade agreements with Singapore and Thailand. U.S. agricultural subsidies, however, and concerns of most of the poorer countries in Asia over foreign

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

investment rules, antitrust regulation and transparency in government procurement, are likely to slow any additional bilateral trade negotiations with the United States.

Recently, Japan has been more aggressive in pursuing its own bilateral FTAs, with an eye toward the formation of a regional FTA in the future. It has signed bilateral free trade agreements with Singapore and Mexico, and is hoping to conclude trade agreements with the Philippines in 2005. Talks with Malaysia and Thailand have progressed more slowly, however, and Japan has also initiated talks with Indonesia, Chile, and South Korea. In contrast to China, however, Japan talks less about what a regional free trade agreement will bring to the region, and—perhaps for domestic consumption—more about the overwhelming benefits that it will bring to the Japanese economy, which already runs a trade surplus with the region. The Japanese government believes that a free trade agreement with ASEAN would bring as much as $18 billion to Japan's GDP and create as many as 260,000 jobs.[28]

China's rapid strides in expanding its trade relations with Southeast Asia have been paralleled by a growth in its role as a source of regional investment. As it secures the resources necessary to fuel its growth, China is investing heavily in mining, natural gas, and logging opportunities throughout the region. China has committed US$100 million in aid and investment to Burma and is developing Indonesian natural gas reserves, investing in infrastructure development in the Philippines, establishing rail and highway links with Cambodia, Thailand and Singapore, and promising to dredge part of the Mekong River in Laos and Burma to make it suitable for commercial navigation.

Still, in terms of development assistance, China lags far behind the regional leader, Japan. Japan is the top aid donor to ASEAN members; in 1997, it pledged US$30 billion in assistance to strengthen the economies of the region; and by 2001 it provided 60% of the development assistance to the region.[29]

Finally, in the wake of the Asian financial crisis of 1997, many actors, particularly Japan, have been paying increasing attention to issues revolving around the stability of Asian currencies. As is well known, during the financial crisis, China not only refrained from devaluing the yuan but also provided a US$1 billion loan bailout of Thailand. In contrast, many in Southeast Asia complained that the United States was interested only in imposing an IMF straitjacket. American efforts at the 2003 APEC summit to persuade Asian allies to criticize China's exchange rate policy were received poorly by the region. Since that time, China has tried to appear accommodating, undertaking some limited reform in its currency practices in July of 2005.

With Japanese leadership, the region has moved forward to develop a range of regionally-based currency arrangements that exclude the United States. Brunei, Indonesia, Japan, the Philippines, Thailand and Vietnam are exchanging data on short-term capital flows. The regional economies are attempting to establish an early warning system that would involve monitoring balance of payments, exchange rate regimes, and levels of foreign borrowing.[30] At the same time, the Chiang Mai Initiative, launched in 1999, has contributed to a flurry of bilateral swaps, worth $17 billion dollars, involving Japan-Korea, Japan-Thailand, Japan-Philippines, Japan-Malaysia, China-Thailand, and Japan-China. Other agreements are in the works, including two involving China: China-Malaysia, and China-Philippines.[31] Despite objections by the IMF and the United States, in June, 2003, "China and 10 other Asia-Pacific countries, including five ASEAN members, agreed…to establish an Asian Bond Fund worth more than $1 billion" to help "bail out economies in

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

crisis."[32] This was followed by a second bond fund initiative announced in December 2004 for an additional $2 billion fund to invest in Asian currency-denominated government bonds.[33]

Such developments strengthen the sense of an Asia for Asians, and an Asia that does not necessarily involve the United States. While Japan has played a leadership role in developing these new currency arrangements, China will likely become an increasingly important force. As China takes steps to make its currency convertible, it may well emerge as the dominant regional currency. According to one analysis, Japan's banking and debt crisis makes the yen "less suitable as a vehicle for wider Asian monetary integration," and the U.S. dollar may not retain its dominance in a trade regime "dominated…by links with China."[34]

The reality, then, is that China is assuming a leadership role in the regional economy and aggressively pursuing an ASEAN+China free trade agreement. Yet Japan remains the predominant source of investment, retains a larger trade relationship, and drives the currency negotiations within the region. The United States continues to be the region's most important trading partner, but the stagnant trade suggests that the U.S. may be finding other markets, such as China, more attractive; unless greater attention is paid to contributing to Southeast Asia's continued economic growth, the U.S. will rapidly lose its stature as the region's key trading partner.

Securing the Region

While China has moved aggressively to promote closer economic relations with Southeast Asia, its initiatives in the security arena have been more tentative. Chinese political analysts nevertheless increasingly acknowledge the potential for China to play a more far-reaching role in the region's security. As Vice director of the China Institute of International Studies Ruan Zongze notes, "The development of China is conducive to security and stability in the region. China lies at the joint of the "curve of turbulence" through the Eurasia continent to northeast Asia and this region is where the interests of major powers converge and therefore has a lot of 'hotspots'. A stronger China would have more leverage in mediating regional conflicts, and thus contributing to cooperation."[35]

The basic thrust of China's approach has been to identify its regional security outlook more closely with that of other regional actors. For example, in October 2003, China signed on to ASEAN's 1976 Treaty of Amity and Cooperation,[36] the essence of which is a set of commitments to respect the ideals of sovereignty and non-interference in others' internal affairs, and to settle disputes peacefully. Beijing also hosted a Security Policy Conference with senior officers from twenty-four ASEAN Regional Forum (ARF) countries and partners in November 2004 focusing on a wide range of potential future challenges to regional security.[37] In concrete terms, China has established a listening post in Burma; and in 2002, China signed its first ever border agreement with Vietnam. The two countries also conducted a joint campaign to clear all the landmines along their border, resulting in an increase in border trade of $4 billion yuan.[38]

Yet challenges remain. Taiwan in particular has the potential to undermine the PRC's image as an accommodating and benign rising power. In July 2004, Singapore deputy prime-minister Lee Hsien Loong, son of Singapore's former leader Lee Kuan Yew, visited Taiwan, prompting a sharp response from the PRC which cancelled a visit to Singapore by China's central bank governor Zhou Xiaochuan[39] and suspended a number of other government talks.

In addition, China pledged to accede to the Southeast Asia Nuclear Weapon Free Zone (a regime that the U.S. rejects). In a surprising

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

move, however, in fall 2004, ASEAN rejected China's bid to join the accord on the grounds that it would prefer all nuclear powers join at the same time. This might signal some desire on the part of ASEAN that China not assume a high profile role on the security front, without the simultaneous engagement of the other regional powers.[40]

At the same time, negotiating China's claims to the islands and resources (particularly oil and natural gas) of the South China Sea remains the greatest area of concern for most Southeast Asian states. Approximately 25% of the world's shipping moves through the Sea, and the South China Sea is an area that engages most of the regional actors: it is bordered by China and Taiwan on the north, Vietnam in the West, Malaysia, Indonesia and Brunei in the South and the Philippines in the east.[41] To date, Vietnam controls the largest number of islands in the largest island grouping, the Spratlys, but in 1987, China set up an observation station there and five years later the National People's Congress passed a law declaring sovereignty over the entire South China Sea. There have been sporadic conflicts between the Philippines, China and Vietnam over control of the islands. China has also long rejected any multilateral code of conduct that would restrict its access to the resources of the Sea.

Yet in August 2002, to the great surprise of many in the region, China signed a declaration of conduct that essentially promised to discuss joint development in the South China Sea. China did not, however, agree to sign a code of conduct.[42] In September 2004, Vietnam accused China and the Philippines of planning surveying operations in its territorial jurisdiction;[43] one month later, China retaliated, accusing Vietnam of violating its territorial sovereignty by inviting bids for oil exploration in the Spratlys.[44] Premier Wen Jiabao appeared to try to defuse the situation by proposing greater regional consultation: at the China-ASEAN summit in November 2004, he suggested the establishment of a senior-level working group to tackle the issues of joint development.[45] Yet even as the two countries wrangled, analysts argued that a combination of a previous agreement by both countries to settle disputes through negotiation and rapidly rising trade relations would mitigate any potential negative fallout from the Spratlys dispute.[46] Indeed, in March 2005, the three countries took a step toward peacefully resolving the conflict when state-owned oil companies from China, Vietnam, and the Philippines signed a three-year deal to jointly search for oil and gas in the disputed area.[47]

The U.S., while perhaps making less headway rhetorically in furthering regional security, has moved aggressively to shore up its bilateral military-to-military relations with a number of countries in the region. Since the late 1990s, the United States has taken steps to enhance some security relationships and re-establish others, such as those with the Philippines. Such efforts received new impetus after the terrorist attacks against the United States on September 11, 2001. The Bush Administration labeled Southeast Asia the "second front" in the war on terror. Evidence indicates that Malaysia, Singapore, Indonesia and Thailand all have served as meeting grounds for terrorists with links to al-Qaeda.

In early January 2002, Singapore arrested 13 such terrorists, eight with direct links to al-Qaeda.[48] Thus, the war on terror has reinforced a sense of urgency in deepening U.S. military ties throughout the region. The U.S. has forged strong security relationships with Thailand, the Philippines and Australia, all of which it considers major non-NATO allies. It has also taken steps over the past year to begin negotiating a framework agreement with Singapore to establish a strategic partnership in defense and security. The U.S. is working with Thailand to improve port security and expending significant resources to train and arm the Philippine military in its anti-terrorism

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

work, among other things. The United States has particularly targeted the Philippines for military assistance, offering $30 million in military financing assistance for 2005, up from $17 million the year before.[49]

Washington has also resumed International Military Education and Training (IMET) cooperation with Indonesia, although weapons sales remain prohibited, and is providing assistance to the Indonesian police to improve their counter-terrorism capacity. While Malaysia rejected the presence of U.S. troops redeployed from Japan and South Korea for the sake of "national dignity and sovereignty," since 2002, Malaysia has nonetheless been engaged in a series of training exercises with U.S. naval forces, as have Brunei, Thailand, Indonesia, Singapore, and the Philippines. China has participated as an observer in some of these exercises.

Overall, the states in Southeast Asia play a critical role in "providing intelligence, undertaking surveillance of suspicious groups, and, in some cases, watching over US freight craft and warships laden with military and other supplies for the war and post-war effort in Afghanistan."[50]

Still, the recent heightened U.S. interest and military presence in the region has been received with distrust in some quarters in Southeast Asia. Scholars, policymakers and track-two participants in security dialogues have voiced several concerns: first, that the United States interest is ephemeral; as soon as interest in terrorism wanes, the United States will again forget about Southeast Asia. Second, that the war against terrorism may be used by authoritarian governments such as that of Malaysia to strengthen their own hands by eliminating legitimate opposition groups, such as the Pan Malaysian Islamic Party or Islam Se-Malaysia. And finally, that the United States did not consult other countries in its pursuit of the war against terrorism, but rather acted largely unilaterally, demanding that countries fall in behind the United States or risk being labeled "not with us."[51]

Certainly, the U.S. focus on preemption and regime change, especially as revealed in the 2002 National Security Strategy, has become a source of significant concern among Asian publics. Asian countries have traditionally been strong supporters of the norms of sovereignty, territorial integrity and non-intervention. Already in Indonesia, 74% of Indonesians are worried that the U.S. might become a military threat to their country. The Indonesian Vice-President Hamzah Haz stated in 2003, "Who is the real terrorist? Well, it's America…In fact, the U.S. is the King of terrorists because of its war crimes in Iraq. The US condemns terrorists but itself carries out terror acts on Iraq."[52] In the Philippines, Vice-President Teofisto Guingona reportedly resigned as foreign minister as a result of the growing military ties between the Philippines and the United States. He argued, "America should stop bullying countries like the Philippines. We became independent, but…we are still under their rules and supervision."[53] The Pew Foundation's 2003 report indicated the percentage of Indonesians who held a positive image of the United States fell from 61% in summer 2002 to 15% in summer 2003.[54]

Moreover, regional analysts are concerned that the focus of the Bush administration on a military response to the terrorist challenge is misguided, and that the United States must embrace more nuanced political strategies. Singapore defense analyst Kumar Ramakrishna has argued, "It is strategic inefficiency to physically eliminate scattered terrorist groups without addressing the roots of the anti-Americanism that animates them." Chinese strategic analyst Guo Xinning also points out in his assessment of the U.S. security presence in the region that the U.S. military presence in the region is not likely to diminish the increasing anti-American sentiments among

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

Muslims in the region.[55]

Such concerns were reinforced at a June 2004 security conference for Asia defense ministers, in which U.S. Secretary of Defense Rumsfeld reiterated White House demands that Asian countries improve their effort to counter terror. Several Asian defense ministers and scholars responded that a new U.S. approach employing soft power such as education and development assistance in the region would better serve American interests in engaging Asian publics in the fight against terrorism.[56] And Singapore analyst Simon Tay has written eloquently about the disturbing evolution of U.S. relations with Southeast Asia from one of partnership to one of primacy. In his judgment, if the United States lives up to its own values—"championing aspirations of human dignity," "igniting a new era of global economic growth," and "expanding the circle of development by opening societies and building the infrastructure of democracy," U.S. leadership will be much more acceptable to the people of the region.[57]

The White House may have recognized the damage done to its reputation by its overwhelming focus on the war on terror and Iraq. During January 2005, the United States assumed a leadership role in responding to the humanitarian crisis in Southeast and South Asia brought on by the devastating Tsunami. This represented perhaps one step toward recapturing some of what Tay and others have called for in U.S. leadership.

The picture that emerges in the security realm is thus a mixed one. While China has not asserted itself as an alternative to U.S. leadership, the potential exists. Despite strengthened military ties between the U.S. and some regional actors, a strong reservoir of distrust and enmity exists toward the United States in many of the region's publics. It is plausible that over time, China's message of non-interference, cooperative security, and the diminution of the role of the U.S. that is implied by China's approach will gain in popularity, although the United States may yet again broaden its approach to security and regain territory it has lost.

Environment, Drugs, Health and Governance: China Confronts Itself

While China's economic and security diplomacy has advanced China's reputation within the region, its relative lack of transparency in addressing transnational issues has been a continued source of angst among regional actors. Across the board on such issues as environmental protection, public health, drug trafficking, and governance, China generally has been less of a positive force than a challenge for other regional actors to negotiate. Still, there are signs of change in the willingness of the Chinese leadership to work more openly and cooperatively with its neighbors on these issues.

In May 2002, the Chinese government issued a position paper at the ARF outlining the necessity of improving cooperation on non-traditional security issues, such as terrorism, drug trafficking, HIV/AIDS, illegal migration and environment. While the paper was short on specifics, it highlighted the complex transnational nature of these challenges and committed China to play an integral role in working with other countries to resolve them.[58]

In some respects, this commitment has been manifested on the ground. After years of refusing to cooperate in international efforts to combat drugs, for example, China is now playing a far more constructive role, particularly in addressing the trafficking in heroin and amphetamines, among other illicit drugs, that are crossing the border from Burma through China to Hong Kong, Taiwan and beyond. China signed onto three major U.N. drug conventions and hosted a meeting in

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

Beijing in May 2002, with the United Nations Drug Control Program, as well as Laos, Thailand, Myanmar and Cambodia to discuss strategies.

Over the past decade, Beijing has become increasingly concerned about the drug problem within its own borders and links between drug traffickers and broader organized crime efforts, as well the relationship between drug use and China's growing problem of HIV/AIDS. In July 2004, China hosted a conference for over 100 prosecutors from throughout ASEAN on combating transnational crimes, such as drug trafficking.[59] Still, Beijing is likely to have a difficult time clamping down effectively: a recent report issued by China's State Council indicated that local governments in China are increasingly dependent on the revenues from organized crime, such as drug trafficking and prostitution, making local officials reluctant to prosecute criminals.

China's interest in cooperation on transboundary health issues also received new impetus with the advent of Severe Acute Respiratory Syndrome (SARS), which the government acknowledged as an epidemic during spring 2003. While the Chinese government initially refused to admit to the severity of the problem, once it did, it moved quickly to rein in the negative publicity. In April, 2003, at a Special China-ASEAN Leaders' Meeting on SARS, Chinese Premier Wen Jiabao called for much deeper cooperation on health issues: a reporting mechanism for future epidemics with a rapid response program; cooperation on SARS research with an investment of Y10 million (US$1.2 million) by China; and a future meeting on SARS to be hosted by Beijing.[60] The response from the region to Wen's remarks was quite positive. And China's apparent openness concerning the outbreak of Avian flu during summer 2004 was also well-received. Still, China's record on communicating the nature of its HIV/AIDS problem—both to its own citizens and to the international community—while improving, suggests that reforms in the public health sector and openness about the nature of these problems will continue to remain a challenge.

In the environmental arena, China has long been perceived as the source of several regional problems. South Korea and Japan, for example, have worked for many years to assist China in improving its efforts at controlling the SO2 emissions that cause acid rain. Despite significant funding assistance, close cooperation on monitoring emissions, and commitment on the part of China's environmental officials, China's rapid economic growth and weak environmental enforcement have yielded little improvement.

In addition, on more sensitive issues, China has proved a more recalcitrant actor. This is perhaps nowhere more evident than in China's development of the Mekong River. According to one report, twenty percent of the waters of the Mekong originate in China; during the dry season this figure jumps to seventy percent.[61] China already has one dam operating on the upper reaches of the River and a second, Dachaoshan, under construction. A third is planned for 2012. For countries downstream, including Thailand, Laos, Cambodia, and Vietnam, China's dam development is already having negative consequences. During summer 2004, the Mekong was at its lowest level ever, with serious consequences for fisheries and rice production, significant income sources for communities within all of the downstream countries. Cambodia's fish catch dropped by almost 50% from the prior year.[62] At the same time, the water level fluctuates wildly depending on dam operations. While the Mekong River Commission has attempted to engage China, the Chinese have demonstrated interest neither in participating in the work of the commission nor in listening to the concerns of its neighbors.[63]

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

China is also a major source of biodiversity loss throughout Southeast Asia. Rare turtles, tigers and seahorses, among other wildlife, are being consumed voraciously by China; one analyst reports that the problem has only become worse with China's growing wealth. Businesspeople are now willing to pay $1000 rather than $100 for illegal wildlife parts, providing even more incentive for illegal wildlife trade.[64] Moreover, China has become one of the world's largest importers of tropical timber from the region, and Chinese logging firms have developed a reputation for illegal practices, contributing to severe deforestation in Burma and Indonesia.[65]

Finally, in the broader political realm of governance—transparency, rule of law, and human rights—China has made significant strides in recent years. China's strong relations with some of the more brutal of the region's regimes, such as Burma, also make it a potentially important partner for other nations interested in taking action to improve the region's overall practices. In June 2003, for example, ASEAN rejected its traditional reluctance to interfere in the domestic affairs of other countries and condemned Burma's human rights practices, in particular its detention of the pro-democracy leader Aung San Suu Kyi and attacks on her supporters. At the 2003 APEC leaders' summit, APEC's host Thai leader Thaksin Shinawatra stated that China should be party to any discussions of progress toward democracy in Burma. Soon thereafter in April 2004, China took the surprising step of supporting a resolution in the United Nations Human Rights Commission urging the government of Myanmar to restore democracy.[66]

Thus, although it is unlikely that China will assume a leadership role in promoting good governance in the very near future, and even though the region undoubtedly recognizes the limitations of China as a leader on such issues, China's role as a contributor to transnational problems dictates its presence at the table. To the extent that China is reforming its own practices and increasingly behaving in a responsible manner both domestically and internationally, the opportunity for China to assume a leadership role will increase exponentially.

Conclusion

China's efforts to assuage the fears of its neighbors by adopting a foreign policy approach that is active, non-threatening, and generally aligned with the economic and security interests of the region is clearly making headway. The substance underlying the positive diplomacy is most notable in the trade realm, where China is rapidly emerging as an engine of regional economic growth and integration that may well challenge Japanese and American dominance in the next three to five years. China's role as an important source of FDI for the region and player in regional currency schemes is also likely to grow rapidly.

In the security realm, China's diplomacy, while likely rhetorically appealing to regional actors, has yet to make significant inroads in a regional security structure dominated by the United States and its bilateral security relationships. Moreover, while China has signed a declaration of conduct governing the South China Sea, how the region moves forward to develop the resources of the Sea will depend significantly on the actual measures that China takes to ensure that ventures are cooperative and equally developed. Still, if anti-American sentiment within the region continues to grow, China may find more room to maneuver as it attempts to develop a regional security architecture that minimizes American influence.

If China is to emerge as a real leader within Southeast Asia, it will also need to assume more of the social and political burden that leadership entails. Throughout Southeast Asia,

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

the United States, for all its misadventures, has generally been perceived as a champion of democracy and human rights. Public opinion polls and statements by various Southeast Asian analysts and officials suggest that this reputation has been tarnished during the first term of the Bush administration. Yet, there is no other country willing or able to claim the mantle of such leadership. While Premier Wen's post-SARS call to arms for regional action to combat this deadly disease was heartening to the region and the world, it also was prompted by significant international condemnation of China's initial decision not to acknowledge the severity of the problem. As China continues to advance itself as a regional leader, its policies on issues such as health, drugs, the environment, and human rights will face additional scrutiny not only for their impact on the region but also for the more profound question they raise concerning the potential of China's moral leadership.

China's rise within the region also suggests a larger, longer-term struggle to define the nature of Asian relations. Many of China's initiatives promote a far more integrated Asia than currently exists. Such a future may seem unlikely. It is a region marked by disparate geography, languages, political systems, standards of living and degrees of integration with the outside world. In addition, if China and Japan were to assert a collective leadership role, it would necessitate a far more cooperative relationship between the two countries than is the case today. Moreover, unlike in the case of European Union, there is no single, agreed-upon threat in Asia. Southeast Asian leaders appear torn between their long-term concerns over a bullying United States, a hegemonic China and a resurgent Japan; as Muthaih Alagappa has argued, "The primary purpose of the state-centered regional security order in Asia is to consolidate the nation-state, enhance its international power and influence, and create a safe and predictable environment."[67]

Asian integration also presumes a much deeper set of integrated policies and norms than currently exist. Moving from a forum that encourages free trade to a regional free trade agreement requires one significant expansion in cooperation; progressing from an Asian monetary fund to a common currency requires yet another. In the security arena, advancing from a largely stagnant set of talks to a regional code of conduct in the South China Sea represents one advance in coordination, while moving to a formal treaty governing sovereignty over the resources of the South China Sea demands a far more intrusive set of obligations, potentially requiring a far more demanding leadership role on the part of China.

Moreover, in many respects, Southeast Asian leaders appear eager to maintain an identity independent of China, Japan, and the United States. While western analysts sometimes dismiss ASEAN as primarily a forum for discussion, officials from member states repeatedly indicate that ASEAN offers them an opportunity to negotiate on more equal footing with the potential regional hegemons. Moreover, for a country such as Vietnam, regional organizations such as ASEAN and APEC offer an important opportunity for more outward looking Ministries such as the Ministry of Foreign Affairs to push for greater integration with the global community under the cover of ASEAN or APEC. Still, fifty years ago, no political analyst would likely have predicted the establishment of the European Union.

For the United States, in the best case scenario, a more activist China will share leadership with the United States and Japan, helping to forge consensus within a more active and integrated region to address its political, security and economic challenges. Such an Asia would likely have a better chance of either pressuring or inducing change in some of the more recalcitrant actors in the region such as

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

Burma and North Korea. There might also be an opportunity for regional actors to relieve the United States of some of the burden of leadership in the region by assuming a more proactive role in responding to regional crises such as the humanitarian crisis brought on by the tsunami in South Asia in 2004, political unrest in Indonesia or in coordinating a response on transnational or global threats such as terrorism. In addition, as Asia increasingly contemplates its own security arrangements, "keeping America in" may prove a continued necessity for Japan or other Asian states still concerned about a rising China, much as France believed its interest to be better served by reliance on NATO to balance closer integration with Germany during European unification.[68]

A second scenario, less attractive from the perspective of the United States, suggests a traditional balancing act, in which the nations of Asia use China to ignore the United States on selective issues, developing alternative approaches to security, political and economic affairs in ways that perhaps more directly serve their domestic interests.

In a worst case scenario, as China assumes a more dominant economic, political, and even security role in the region, the U.S. will confront an Asia less likely to respond favorably to U.S. security initiatives, less dependent on U.S. economic leadership and U.S.-run financial institutions, and potentially less open to the full range of U.S. diplomatic initiatives on issues such as human rights and terrorism. With an intra-Asian monetary fund, for example, may come less potential for the United States to press its agenda for continued domestic economic reform in countries such as China and Vietnam. A regional free trade agreement could prove discriminatory to U.S. products and trade initiatives. If China and Japan become the France, Germany and Britain of Asia (however unlikely in the current political environment), U.S. security priorities such as establishing a missile defense shield and ensuring Taiwan's security will likely find less support than if the U.S. remains the dominant military actor in the region. Certainly, too, while some of the luster has come off of America's reputation as the dominant supporter for human rights and democracy in Asia, it is a mantle that no other country in Asia appears ready or capable of assuming. Given the precarious state of democracy in a number of Southeast Asian countries and the struggle to emerge in a number of others, the predominance of the United States in this capacity is particularly critical.

At least in the initial phase of what appears to be a long-term trajectory of growing Chinese influence in Southeast Asia, the United States remains the region's most important trade partner; force for regional security; and proponent of greater political transparency and human rights protection. Japan, in turn, is overwhelmingly the dominant source of development assistance and architect of new regional currency practices and institutions. While China is in no position to displace either the UnitedStates or Japan—nor is the region as a whole necessarily interested in seeing this come to pass—China's greater presence and activism suggest at the very least that the United States and Japan cannot remain complacent about the status quo that has governed political, economic and security relations for the past few decades. Shared leadership within Southeast Asia will likely include China in the near future, with all the potential benefits and challenges that such leadership will entail.

Elizabeth Economy is C.V. Starr Senior Fellow and Director, Asia Studies, The Council on Foreign Relations. She is the author of The River Runs Black: The Environmental Challenge to China's Future. This is an updated version prepared for Japan Focus of an article that appeared in Journal of Contemporary China, August 2005. Published in Japan Focus

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

on October 6, 2005.

[1] Aaron L. Friedberg, "Ripe for Rivalry: Prospects for Peace in a Multipolar Asia," International Secuirty vol.18 no.3 (Winter 199-1994), pp. 5-33.
[2] Juan T. Gatbonton, "China moves in as East Asia's core-state," Manila Times (January 8, 2004); and Eric Teo Chu Cheow, "An Ancient Model for China's New Power; payng Trivute to Beijing, " International Herald Tribune (Jnauary 21, 2004), p.6.
[3] Elizabeth Economy and Michel Oksenerg, eds., China Joins the World: Progress and Prospects (New York, NY: Council on Foreign Relations Press, 1999).
[4] Rommel C. Banlaoi, "Southeast Asian Perspectives on the Rise of China: Regional Security after 9/11," Parameters (Summer 2003).
[5] The United States and Southeast Asia: A Policy Agenda for the New Administration: report of an Independent Task Force (New York, NY: Council on Foreign Relations, 2001), pp.1-2.
[6] Geoffrey Barker Bangkok, "APEC Heads Unite in War on Terror," Australian Financial Review (October 22, 2003), p.1.
[7] APEC Economic Leaders' Meeting, Santiago Declaration: "One Community, Our Future," (Santiago, Chile, November 20-21, 2004).
[8] Fran O'Sullivan, "Summit's Agenda Hijacked by Bush," New Zealand Herald (November 23, 2004).
[9] Steven R. Weisman, "U.S. Says North Korean Demand for Reactor Won't Derail Accord," New York Times (September 21, 2005).
[10] See for example a discussion of China's rise by Ruan Zongze, Vice Director of the China Institute of International Studies, "What are the implications of China's peaceful rise to the world?" http://www.crf.org.cn/peacefulrise/ruanzongze2.htm
[11] Technically the term heping jueqi translates into "the great rejuvenation of the Chinese nation" but rise is perceived by many Chinese policy analysts as less likely to provoke concern among other countries. (Yiwei Wang, "The dimensions of China's peaceful rise," http://www.atimes.com/atimes/printN.html
[12] "China to be mainstay for peace after peaceful rise," 2004 Boao Forum for Asia http://www.china.org.cn/english/international/94030.htm
[13] Jifang Zan, "Peaceful Rise," Beijing Review http://www.bjreview.com.cn/200416/BoaoSpecial-200416(B).htm
[14] David Lamb, "China Works to Improve Relations with Southeast Asian Neighbors," Los Angeles Times (November 15, 2000).
[15] Jiechi Yang, Speech at the Asia Society, New York, NY (December 3, 2002)
[16] Denis D. Gray, "Anxiety and Opportunities Mount as Chinese Colossus Exerts Influence on Southeast Asia," Associated Press, (March 30, 2004).
[17] Bian Shen, "New Opportunity for China-ASEAN Trade," Beijing Review (May 1, 2003), p.18.
[18] "Get on China's Economic Train: ASEAN-China Cooperation on Fast Track," People's Daily (English) (May 26, 2004)/
[19] "China, ASEAN Trade over US$100 Billion in 2004" China Radio International, www.cri.com.cn (February 4, 2005).
[20] Denis D. Gray, "Anxiety and Opportunities Mount as Chinese Colossus Experts Influence on Southeast Asia," Associated Press (March 30, 2004).
[21] Shen, op cit., "New Opportunity," p.19.
[22] Hongmei Shen, "Knocking Down Asian Trade Barriers," Beijing Review (April 17, 2003), p.42.
[23] Zaidi Isham Ismail, "ASEAN, China to complete Talks by June," Business Times (March 30, 2004), p.2.
[24] Denis D. Gray, "Anxiety and opportunities Mount as Chinese Colossus Exerts Influence on Southeast Asia," Associated Press, (March 30, 2004).
[25] Denis D. Gray, "Anxiety and opportunities

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

Mount as Chinese Colossus Exerts Influence on Southeast Asia," Associated Press, (March 30, 2004).
[26] "ASEAN, Japan to pursue comprehensive economic partnership", Chinaview (September 29, 2005).
[27] "Joint Press Statement of the 18th U.S.-ASEAN Dialogue", Association of Southeast Asian Nations (Washington, D.C., June 28, 2005).
[28] Audrey McAvoy, "Fearing rivalry with China, free Trade agreements are suddenly the rage in Japan," Associate Press (April 2, 2004).
[29] "Japan Talks Trade at ASEAN Summit," (December 10, 2003) www.cnn.com/2003/world/asiapcf/east/12/10/japan.asean.summit.ap/
[30] Oxford Analytica, "East Asia: Currency Cooperation," (May 24, 2002).
[31] Ibid.
[32] Lyall Breckon, "SARS and a New Security Initiative from China," Comparative Connections 103 (July 2003), p. 76.
[33] "Asia-Pacific central banks to launch new fund for regional bonds," Japan Economic Newswire (December 16, 2004).
[34] Michael Vatikiotis and Bertil Lintner, "New Asian Dollar: The Growing Reach of China's RMB," http://tawainsecurity.ag/news/2003/feer-052903.htm
[35] Zongze Ruan, "What are the Implications of China's Peaceful Rise to the World," http://www.cfr.org.cn/peacefulrise/ruanzongze2.htm
[36] "China joins Treaty of Amity, Cooperation in Southeast Asia," People's Daily (October 9, 2003).
[37] David Shambaugh, "China Engages Asia: Reshaping the Regional Order," International Security 29 (3), (winter 2004-2005), p. 88.
[38] Udai Banhu Singh, "Major Powers and the Security of Southeast Asia," Strategic Analysis: A Monthly Journal of the IDSA, XXIV (2), (May 2000), p.8.
[39] Jason Leow, "China rejects DPM Lee's reasons for Taiwan Visit," Singapore Straits Times (July 22, 2004).
[40] "Regional Perspective: The growth and limits of China's reach in Southeast Asia," The Nation (October 4, 2004).
[41] Singh, p.3.
[42] Willy Wo-Lap Lam, "China aiming for 'peaceful rise,' (February 6, 2004) CNN.com/20040WORLD/asiapcf/02/02/willy.column/
[43] Gilbert Felongco, "Manila Unfazed by Spratly Isles Tensions," Financial Times Information (September 11, 2004).
[44] "China Protests Vietnam's Bid in South China Sea," Agence France Presse (October 20, 2004).
[45] "Major Points of Premier Wen's Speech at the 8th China-ASEAN summit," Xinhua New Agency (November 30, 2004)
[46] Ray Cheung, "Verbal Sparring Eases Tensions over Spratlys," South China Morning Post (November 15, 2004), p.6.
[47] "Joint exploration starts around disputed Spratlys", Energy Compass (September 2, 2005).
[48] Rosemary Foot, "Human Rights and Counter-terrorism in America's Asia Policy," Adelphi Paper, no. 363, Institute of [49] Oscar S. Villadolid, "The Listening Post," Financial Times Information (November 30, 2004).
[50] M.J. Hassan, "Terrorism:Southeast Asia's Response," January 3, 2002 Pacific Forum CSIS, PacNet 1, via e-email from pacforum@hawaii.rr.com in Rosemary Foot, "Human Rights and Counter-terrorism in America's Asia Policy," Adelphi Paper 363 (International Institute for Strategic Studies 2004), p.46.
[51] Author Interviews in with officials and scholars in Singapore, Vietnam and Thailand (November 2002).
[52] Mark Baker, "Southeast Asia Turns on Bush," The Age, (March 20, 2004), p.4.
[53] Ibid.
[54] Views of a Changing World: The Pew Global Attitudes Project. The Pew Research Center for People and the Press (June 2003), p.19.
[55] Xinning Guo, "Strategic Premium," Beijing

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press

Review (March 18, 2004), p.17.
[56] Murray Hiebert and Barry Wain, "Same Planet, Different World," Far Eastern Economic Review (June 17, 2004), 26-27.
[57] Simon S. C. Tay, "Asia and the United States after 9/11: Primacy and Partnership in the Pacific," The Fletcher Forum of World Affairs Vol. 28:1 Winter 2004.
[58] "China's Position paper on Enhanced Cooperation in the Field of Non-Traditional Security Issues," (May 2002) http://www.fmprc.gov.cn/eng/wjb/zzjg/gjs/gjzzyhy/2612/2614/tl5318.htm#
[59] "China-ASEAN Prosecutors-General Conference Opens," Xinhua News Agency (July 8, 2004).
[60] "Speech by Premier Wen Jiabao of China at the Special China Leaders' Meeting on SARS," (April 29, 2003) www.fmprc.gov.cn/eng/topics/zgcydyhz/zgdmfdtbhy/t26292.htm
[61] Alex Liebman, "Washed down the Mekong," South China Morning Post (July 21, 2004).
[62] "Damming of the Mekong sparks fear for farmers," South China Morning Post (June 30, 2004).
[63] John Vidal, "China Mekong Dams Worry Downstream Nations," The Guardian (March 25, 2004).
[64] Dennis D. Gray, "Illegal Trade Derailing Southeast Asia Wildlife," Associated Press (March 28, 2004).
[65] Elizabeth Economy, The River Runs Black: the Environmental Challenges to China's Future (Ithaca, NY: Cornell University Press, 2004), p.122.
[66] Peter Capella, "Pressure Builds on Myanmar as UN rights forum urges Suu Kyi's release," AFP (April 21, 2004).
[67] Muthaih Alagappa, "Constructing Security Order in Asia," in Alagappa, ed., Asian Security Order (Stanford, CA; Stanford University Press, 2003), p.79.
[68] Alyson Bailes, "Europe's Defense Challenge," Foreign Affairs (January/February 1997), p.16.

https://doi.org/10.1017/S1557466005003268 Published online by Cambridge University Press