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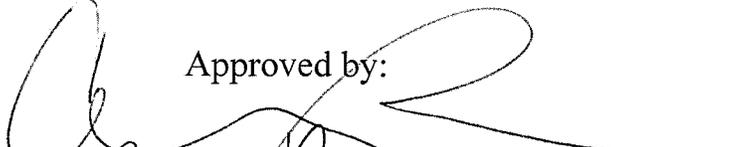
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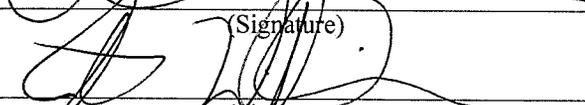
Asia Pacifism:  
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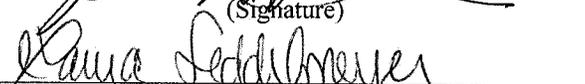
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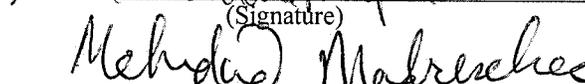
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Asia Pacifism:

The Kantian Peace and the Roles of Regional Inter-Governmental Organizations

in the Asia- Pacific Region

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Abstract:

German Philosopher Immanuel Kant envisioned a system for peace by embracing democracy, economic interdependence, and international organizations. Many have pointed towards the relative success of the European Union as a model of the success of the Kantian theory. However, we have yet to see the same achievement in the Asia Pacific region, despite its effort. There are varying degrees of effectiveness of Asia Pacific institutions. Using game theory as the framework for rational choices between states, I construct game models between the emerging China and other actors in the region such as Japan, Philippines, and Vietnam. Each game is constructed to explain rational choices for individual actors, taking into account each other's options and how the United States affects the outcome. Employing the Kantian theoretical framework and statistical analysis using ordered logistic regression models, I test the pacifying effect of three different regional organizations: APEC, ASEAN, and SEATO while also considering the effects of the United States and China. The findings show some support for the pacifying effect of ASEAN and military alliances with the United States, while displaying an unexpected outcome for APEC, and no significant effect of SEATO.

German Philosopher Immanuel Kant envisioned a system for peace by embracing democracy, economic interdependence, and international organizations. Since World War II, the creation of a European regional intergovernmental organization, the European Union, has been pointed towards as an example that peaceful coexistence and cooperation can be achieved through the creation of institutions. The EU also brought increasing trade ties and fostered democratization through its requirements among new member countries. On the other side of the earth, we observe an emerging Asia Pacific with states starting to establish regional intergovernmental organizations and while also moving toward economic integration, yet disputes among countries in the region persist. Especially with the rise of China in recent years, we have seen a growing integration in economics and intergovernmentalism alongside patterns of disputes. A seemingly paradoxical pattern has emerged in the region. Does the presence of Kantian variables in the Asia Pacific region have the pacifying effect on the region? Could the presence and influence of an outside factor like the United States' help explain the divergent path the Asia Pacific has seemingly taken? How is China's emergence in the region influencing the other states in the region and its dynamics with the United States? Or does this trend toward territorial disputes in Asia Pacific mean that Kant's theory simply does not hold true for all regions?

In order to answer these questions, I first present literature that tests Kant's theory at the global level, as well as research that studies the Asia Pacific regional structure and dynamics. From this framework, I develop hypotheses on the relationship between Regional Intergovernmental Organizations (RIGOs) and disputes, with specific attention to the role of three different regional organizations: APEC (Asia Pacific Economic Cooperation), SEATO

(South East Asia Treaty Organization), and ASEAN (Association of South East Asian Nations). I also consider the influence of the U.S. and China on the security and dispute patterns in the region. I use ordered logistic regression models to test whether there is a significant relationship between RIGOs and the presence and intensity of dyadic conflict. From these models, I find mixed support for my hypotheses. Although there is some evidence of a relationship between RIGOs and conflict in some models, the relationship is no longer significant when I control for economic interdependence and the presence of China in a dyad. On the other hand, military alliances with the U.S consistently display pacifying effect on disputes. At this point, these findings are preliminary, as there are a few limitations of my findings, which will be addressed in future research. Namely, I have not fully considered optimal measures for economic interdependence such as foreign direct investment and monetary interdependence, and a systematic lack of economic data for countries such as North Korea and Taiwan.

### **The Kantian Triangle**

I base my research on the theoretical framework of Immanuel Kant, particularly his conceptualization in Perpetual Peace. Kant's vision for peace is formulated into the Kantian Triangle, the three elements that contribute towards systemic peace: joint democracy, international organizations, and economic interdependence.<sup>1</sup> These factors influence each other, as well as have a reciprocal relationship with peace. The triangle means that democracies hardly ever go to war against each other, and trade reduces conflict by raising the cost of war. The goal of International organizations is to reduce tensions and strengthen political relationships between states. The three concepts of the triangle, as Kant originally argued, are the three elements

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<sup>1</sup> Bruce M. Russett and John R. Oneal, *Triangulating Peace: Democracy, Interdependence, and International Organizations* (New York: Norton, 2001).

founded on the principles of freedom and equality that created societies and then states, which reflect such principles on their interactions with each other.

The first leg of the Kantian theory is joint democracy, what Kant described was a republican form of government. Decision makers are chosen to represent the will of citizens. By nature, citizens do not want war because citizens suffer directly from the consequences of conflict, and fear the unknown costs associated with war. As a result, republics and, by extension, democracies are restrained from making such a costly decision like war. By responding to the will of the citizens, democracies are inherently constrained by their institutional structure, including separation of power, free and fair elections, and term limits for elected officials. In contrast, autocratic states are less constrained and can more easily engage in conflict.<sup>2</sup>

The second leg of the Kantian triangle is economic interdependence. The spirit of commerce, as Kant describes, is incompatible with war. Trade ties the fates of countries together and is a disincentive for conflict between trading states. Trade generates wealth for states, so it is the interest of the states to preserve ties with states that they trade with frequently. Sooner or later trade would be the preference of every state because it maximizes benefits and minimizes costs. The power of money urges states to remain in perpetual trading relationships and promote peace as well as prosperity.<sup>3</sup> Economic interdependence, the increasing link of trade between states, therefore, is argued as the one of the most dependable and productive interactions states can make.

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<sup>2</sup> Bruce M. Russett and John R. Oneal, *Triangulating Peace: Democracy, Interdependence, and International Organizations* (New York: Norton, 2001) 97-98.

<sup>3</sup> Immanuel Kant, *Perpetual Peace*, 32.

The third leg of the theory is International Organizations. Kant describes a league of peace (*foedus pacificum*) created not to dominate over the states but to preserve the freedom and security of the states.<sup>4</sup> International Organizations provide channels for dialogue and transparency so that states can work out disputes, and laws that make war undesirable by attaching high costs, as imposed by the International Organization, to conflict. The costs can be sanctions to punish behavior that does not conform to the norms of the institution.

### **Current Understanding**

#### *Tests of the Kantian Theory*

Many researchers have found empirical support for Kant's propositions at the global level of analysis. Most studies raise the question of whether democracy, economic interdependence, and joint membership in international organizations have pacifying effects on dyads in the international system. Russett, Oneal, and Davis conclude that joint membership in intergovernmental organizations indeed has an effect on decreasing the likelihood of dyadic conflict between 1950 and 1985.<sup>5</sup> In a later study, Russett, Oneal, and Berbaum find a combination of all three Kantian variables existing in dyadic pairs has a significant effect on reducing risks of conflict.<sup>6</sup> Developing from Russett and Oneal's work, Gartzke, Li, and Boehmer tested the effects of economic interdependence on disputes, expanding beyond trade interdependence to monetary and capital interdependence as measures of economic

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<sup>4</sup> Immanuel Kant, *Perpetual Peace*, 18.

<sup>5</sup> Bruce Russett, John Oneal, and David Davis, "The Third Leg of the Kantian Tripod for Peace: International Organizations and Militarized Disputes, 1950–85," *International Organization Int Org* 52, no. 03 (1998), accessed September 11, 2016, <https://www.jstor.org/stable/2601398>.

<sup>6</sup> John R. Oneal, Bruce Russett, and Michael Berbaum, "Causes of Peace: Democracy, Interdependence, and International Organizations, 1885-1992," *International Studies Quarterly* 47, no. 3 (September 01, 2003): 386-388, accessed October 29, 2016, <http://www.jstor.org/stable/10.2307/3693591?ref=search-gateway:2ea93e01b9d95c5143495cbf7e1d9ac4>.

interdependence. They find that despite limitations, their model still provides support for the theory.<sup>7</sup> Put into the context of the Asia Pacific region, Ravenhill also finds support for the connection between the economic activity ASEAN and APEC facilitate and the reduction of militarized conflict in the Asia Pacific region, while acknowledging that the comprehensive membership for these organization does not impose legally binding constraints on the member states.<sup>8</sup>

In addition to the liberal, Kantian view, there are competing models as well. The most prevalent is the realist view, which argues the distrust among states and argues this and their resulting competitiveness will only lead to more disputes. Mearsheimer believes states have the incentives to cheat on each other when they cooperate economically and politically.<sup>9</sup> Within that context, international institutions only serve as tools for the most powerful states to exert their influence upon weaker states. Drawing upon the inconsistencies among previous models, Barbieri and Schneider also hold a skeptical view towards the relationship between trade and conflict, believing that there should have been more consistencies among studies if the relationship is in fact true.<sup>10</sup> Moreover, Barbieri further addresses the most prevalent theories. One of them is the Marxist theory that trade has a positive relationship with conflict. The second is the realist view that considers economic interactions as inferior to military power in leaders' decision-making in regard to conflict. Therefore, the impact of trade cannot be important enough to deter conflict. Regarding the effect of economic interactions between states, Barbieri points

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<sup>7</sup> Erik Gartzke, Quan Li, and Charles Boehmer, "Investing in the Peace: Economic Interdependence and International Conflict," *International Organization* 55, no. 2 (2001), doi:10.1162/00208180151140612.

<sup>8</sup> John Ravenhill, "Economics and Security in the Asia-Pacific Region," *The Pacific Review* 26, no. 1 (2013): 11-13, doi:10.1080/09512748.2013.755363.

<sup>9</sup> John Mearsheimer J., "The False Promise of International Institutions," *International Security* 19, no. 3 (1994): 12, accessed September 12, 2016, <http://www.jstor.org/stable/2539078>.

<sup>10</sup> K. Barbieri and G. Schneider, "Globalization and Peace: Assessing New Directions in the Study of Trade and Conflict," *Journal of Peace Research* 36, no. 4 (1999): 401, doi:10.1177/0022343399036004001.

out the two factors that need to be considered: the importance of trade to the states—salience, and the balance of the relationship—symmetry. Asymmetric or non-salient trade relationships may increase the likelihood of dyadic conflict. Asymmetric trade ties lead to one state being dependent on the other and being easily manipulated, thus leading to rising tension and conflict. As a result, trade ties can only be pacifying when there is symmetry in the relationship. Testing this over different periods of time using Kantian variables, Barbieri finds inconsistencies in results across different time periods.<sup>11</sup> If it is true that empirical evidence suggests a different pattern from what Kant predicted, there might be a need for a reassessment of the Kantian theory.

#### *The ASEAN Paradox*

As previously mentioned, Europe and the Asia Pacific have had different experiences with regional integration. On one hand, we see the European Union moving towards both a deepening and widening in the terms of economic and political ties<sup>12</sup>, thus established stability after long periods of wars and power struggles. On the other hand, SEAN has had moderate success in terms of socioeconomic integration, particularly cooperation in regional economy, education, and culture. Nevertheless, it is still far from reaching the level of its European counterpart. Politically, the member states are institutionally different in political systems and orientation, making political integration difficult. However, there have been attempts in

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<sup>11</sup> Katherine Barbieri, *The Liberal Illusion: Does Trade Promote Peace?* (Ann Arbor: University of Michigan Press, 2002), 37.

<sup>12</sup> The United Kingdom's decision to leave the EU has led to the reconsideration of being a member of the European Union. It is clear that the withdrawal of the UK has raised doubts about the effectiveness of the European Union. However, regarding the pacifying effect of the institution on the region, it has been undoubtedly that the EU was effective, as shown by the absence of conflict in the region since the end of the Second World War.

establishing regional economic cooperation with increasing trade, investment, and the attempts of building its own Free Trade Area.

While the two organizations are often compared to each other, it is important to notice key differences in their principles. With regard to historical context that led to their formation, European countries were left devastated and without a clear regional hegemon after the Second World War. Thus, they were more willing to come together to form regional institutions—particularly with the economic carrot from the U.S., in the form of the Marshall Plan, to do so. On the other hand, Asia Pacific did not have a major conflict in the region that devastated it. Moreover, being colonies or under Japan's occupation, many the states in the region were just beginning to gain independence after WWII, and hegemony was not established by any states in the region during the formation of states in Asia Pacific. As a result, the countries did not have incentives for institution formation like their European counterparts. Consequently, we see the Kantian model works differently in Europe than it does in Asia Pacific. While the EU was founded on the bases of treaties and laws that work as legal bindings to its members, “the ASEAN way” is consensus and agreements among its member, with careful regard to individual members' interests and non-intervention.<sup>13</sup> Decisions are only made through issuing joint statements after seeking agreement from all members of ASEAN, resulting in watered down policies or even no consensus to reach a decision. The economy of the EU is deeply integrated with the common market, common monetary union, and monetary policies by the European Central Bank. On the other side, Asia Pacific is only *somewhat* integrated with a common market and regional trade, but is still far from establishing a fully integrated economic system. Another

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<sup>13</sup> Benjamin J. Cohen, "Finance and Security in East Asia," in *The Nexus of Economics, Security, and International Relations in East Asia*, ed. Avery Goldstein and Edward D. Mansfield (Stanford: Stanford University Press, 2012), 50.

key difference is in the regime types and political institutions of the members of the regional communities. The EU was formed by similarly, though many new, democratic countries, while Asian Pacific countries have a variety of regime types, ranging from the totalitarian North Korea to the fully democratic Japan. Therefore, we see the Kantian variable of intergovernmental organizations not being able to work as effectively in Asia Pacific as it does in Western Europe because the constraints imposed, and transparency offered, by the RIGOs have differential effects across the differing regime types. Regarding the region's experience of conflict after World War II, Europe has been more successful with its institutions, making conflict between states in Europe rare. On the other hand, institutions in the Asia Pacific region have yet to be successful in erasing conflict in the region. Despite being the most integrated institution in the region, ASEAN's mechanism of consensus makes it less effective in addressing disputes among member states.

Nevertheless, it is important to note that Asia Pacific countries are still willing to try to cooperate in regional economic institutions, though not in security institutions. This is because they have prioritized economic development. Also, in recent years the roles of international organizations are more apparent after the 1997 financial crisis, prompting the governments to open their economic and trading policies. As Cohen states, crises probe state actors to join together. For economic crises, they allow new initiatives to be made. Governments increase their financial openness to create credibility with market actors and increase capital flows.<sup>14</sup>

In addition to differences in principles, the role of North Korea and the emergence of a regional power— China— add to regional complexity. While European countries were similar in

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<sup>14</sup> "Finance and Security in Asia," 59.

their relative level of power and regime type, in the Asia Pacific region, China was, and still is, aiming to consolidate its position as regional hegemon. After the economic reform that saw its tremendous economic growth, China has been asserting its influence in the region and trying to become a regional and even global power.<sup>15</sup> China has been involved in numerous disputes as well as regional economic initiatives, which is perceived as both a growth factor and threat to security. This has led to an increasing concern for the US, who wants to retain its hegemonic status.<sup>16</sup> Additionally, North Korea remains an isolated totalitarian state outside of the regional or international economic integration or membership of regional organizations.<sup>17</sup> Both actors, China and North Korea, therefore, operate under different incentive structures which have resulted in conflictual behaviors despite the presence of the afore-mentioned Kantian variables.

As a consequence, the region faces a final layer of regional complexity that comes from the role of the U.S. For most of the Cold War, U.S. interests in the region remained the same as in Europe in order to prevent the spread of communism. However, after the fall of the Soviet Union, China stepped up to become the region hegemon in Asia and one of the primary concerns of the U.S. in the region at the beginning of the 21<sup>st</sup> century until now. The relationship between the U.S. and China since the Cold War is described by Oneal and Russett as ‘potentially dangerous’ and ‘risky’.<sup>18</sup> This is largely because there were no economic interactions between the two until the rapprochement period in the 1970s, they did not have joint membership in any

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<sup>15</sup>John Ravenhill, "Economics and Security in the Asia-Pacific Region," *The Pacific Review* 26, no. 1 (2013): 13, accessed October 31, 2016, doi:10.1080/09512748.2013.755363.

<sup>16</sup> Sutter, Robert, and Huang Chin-hao. "China-Southeast Asia Relations: Facing US-led Resistance in the South China Sea." *Comparative Connections: A Triannual E-Journal On East Asian Bilateral Relations* 17, no. 2 (September 2015): 65-75. (accessed February 24, 2016).

<sup>17</sup> Curry Jr., Robert L. "A ROLE FOR ASIA-PACIFIC ECONOMIC COOPERATION (APEC) IN NORTH KOREA'S TRANSFORMATION." *Journal Of Third World Studies* 30, no. 1 (Spring2013 2013): 79-85, Political Science Complete, EBSCOhost (accessed February 24, 2016).

<sup>18</sup> John R. Oneal and Bruce Russett, "Finding Peace in a World of Hegemony and Terrorism," *International Relations of the Asia-Pacific* 3, no. 2 (2003): 280, accessed October 28, 2016, <http://irap.oxfordjournals.org/content/3/2/265>.

organizations, and the difference between their regime types was vast. After the thawing of their relations, the two have established economic interactions and have become members of international institutions. Oneal and Russett acknowledge the more recent change in the relations of these two powers, with the influence from the Kantian factors that decrease the risk of conflict between the two. Beyond their dyadic relationship that affects one another, these states have their own impact on the Asia Pacific region, either through establishing military alliances with other states or encouraging regional integration. The projection of this relationship on the region can have serious impacts on its stability and has, indeed, resulted a complicated regional dynamic.<sup>19</sup> The U.S. seeks both traditional military alliances and multilateral economic forums. Both strategies are believed to create a balance to China.<sup>20 21</sup> The ultimate goal for China is to become a regional and consequently a global power. With its ambition to become a serious contender for hegemony, the Asia Pacific region is its starting point. This may lead to a different outcome from the effect the U.S. had on Europe. European countries were more willing to accept the role of the U.S. and simultaneously worked together, while not many countries in Asia Pacific were willing to accept the U.S. in their region. This leads to an imbalance of the U.S. in the region, creating consequences on the balance and security of the region. As a result, the U.S. has been establishing itself in the region through bilateral approach, especially by reinforcing the ties with its allies.

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<sup>19</sup> Aileen San Pablo-Baviera, "The China Factor in US Alliances in East Asia and the Asia Pacific 1," *Australian Journal of International Affairs* 57, no. 2 (2003), doi:10.1080/10357710301740.

<sup>20</sup> Jae Jeok Park, "The US-led Alliances in the Asia-Pacific: Hedge against Potential Threats or an Undesirable Multilateral Security Order?," *The Pacific Review* 24, no. 2 (2011): 140, doi:10.1080/09512748.2011.560957.

<sup>21</sup> Ho, Lok Sang, and Wong, John. *APEC and the Rise of China*. River Edge, NJ, USA: WSPC, 2011. Accessed February 23, 2016. ProQuest ebrary.

## **Hypotheses**

Consistent with the Kantian Peace theory along with current literature on the subject, as well as considering the nature of the Asia Pacific region, I hypothesize the following:

*Hypothesis 1:* RIGOs decrease the *intensity* of conflict between member states in the Asia Pacific region.

While the majority of research on the effect of the Kantian variables on conflict mainly concerns with the onset of war or MIDs, I choose to look at the level of hostility. Within the time period of the study, war did not occur frequently between the states in the region. The prevalent form of conflict between states are disputes with varying degrees of intensity.

This hypothesis is drawn from Kant's argument on the establishment of a federation of free states, which means international organizations in modern terms. They provide platforms that can facilitate trade and communication, which Kant argues that would eventually eliminate the willingness to engage in conflicts with each other. Regional organizations consist of countries sharing common cultures and geography, allowing common issues and concerns pertaining to the region to be addressed. However, because of the key differences between the European model and the Asia Pacific model, although organizations in Asia Pacific may have pacifying effects on the region, they are not as effective as their European counterparts. The difference in the inherent characteristics between the region and the development of the interactions between states in the two regions are the reasons that make the capacity for having pacifying effects for institutions in Asia Pacific different. In addition, within the region, the MIDs that occurred vary greatly in intensity, so making a distinction in level of hostility allows U.S. to more accurately see the effectiveness of the factors in decreasing disputes in the region.

*Hypothesis 2: RIGOs will have differential effects on the intensity of conflict*

I select the three organizations: APEC, ASEAN, and SEATO, as the main focus of studying their effect on the region. The three organizations were created and evolved with very different intentions, and as a result, they would have different impacts on the Asia Pacific region.

APEC was created in 1989 as an economic cooperation forum with 21 members including states in Asia Pacific, as well as other prominent members such as the United States, Russia, Canada, and Mexico. The goal of APEC is to promote free trade in the Asia Pacific region.

ASEAN was formed in 1967 by the initial members of Thailand, Malaysia, Singapore, Indonesia, and the Philippines to promote economic integration and intergovernmental cooperation between Southeast Asian states. By the end of 2000, it has gradually expanded its membership to include Vietnam, Myanmar, Laos, and Cambodia.

SEATO was created in 1954 as a defense pact in Southeast Asia headed by the United States, with Australia, Thailand, Philippines, Kingdom of Laos, and Republic of Vietnam as members in the region. The organization was created as a defense pact against to contain communist threats in the region. However, after the withdrawal of the U.S. after the Vietnam war, SEATO lacked the substantial support to remain functional and dissolved.

The motivation behind the three organizations have a significant impact on how their members behave towards each other. Therefore, I hypothesize the following for the impact of joint membership in the three Asia Pacific organizations:

*2a: Membership in SEATO has no relationships with the intensity of conflict*

*2b: Joint membership in APEC has a negative relationship with the intensity of conflict*

*2c: Joint membership in ASEAN has a negative relationship with the intensity of conflict*

These hypotheses reinforce the argument that trade would effectively reinforce relations between states. The three organizations are fundamentally different in structure and orientation. SEATO was a security organization for collective defense in South East Asia, whose objective was to create a regional collective defense against communism. While it somewhat resembles NATO, it was short lived and became defunct by the late 1970s. During the years in which it was active, SEATO was created as a collective defense organization with the goal was preventing communism from spreading in the region. Membership was limited to states that aligned with the US, resulting in a limited and biased organization with the motivation to challenge communism, which was adopted by some other states in the region during the period SEATO was active. During its time, SEATO was ineffective as a security pact, not having achieved its goals and lacking an organized structure of its Western European counterpart, NATO.

APEC, on the other hand, is a purely economic organization. Its main objectives are to foster free trade in the region and generally encourage the liberalization of economic policies. States with developing economies are incentivized to join APEC for economic opportunities. As an organization with comprehensive membership that focuses mainly in economic cooperation, states can increase their economic interdependence by being joint members of APEC. Members are incentivized to avoid disputes so that they can access new markets and economic opportunities, which in turn increase the benefits for cooperation.

Finally, ASEAN started as an organization for economic cooperation, but it began to move toward socioeconomic integration, political collaboration, and regional stability. Economic organizations in general provide the combination of strengthening intergovernmentalism *and*

economic interdependence. This allows for the institutionalization of economic interdependence and the establishment of norms and principles of trade.<sup>22</sup> This hypothesis is also based on the notion that emerging economies such as those in Asia Pacific prioritize economic development. Therefore, economic organizations resonate better with their interests. In addition, these institutions may allow for changes in policies in the direction towards liberalization and perhaps democracy through the shaping of identity and norms, for which ASEAN is addressing and aiming. The building of norms and identity allows states to willingly accept and cooperate with each other rather than engage in competition and conflict. In addition, ASEAN allows disputes among members to be settled diplomatically that involves all of its members. Proponents of ASEAN point to its success in assisting the resolution of Vietnam's involvement in Cambodia and its expansion of membership to Vietnam in 1995 and subsequently, Laos, Myanmar, and Cambodia, as well as their integration into the ASEAN regional market.<sup>23</sup> These efforts by ASEAN has allowed for its members to seek less hostile alternatives to conflict.

*Hypothesis 3:* Dyads in the region in which one state allies itself with the United States are less likely to experience disputes.

Being a global power and a major actor in the international system, the United States' foreign policies have a major impact on global politics. As the U.S. has special interests in the region, particularly the maritime security of the Pacific Ocean, and investments in the countries in the region, it has maintained its influence through the establishment of military alliances and its military presence in the region. Whether the motive is related to self-interests or not, with its

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<sup>22</sup> Bruce M. Russett and John R. Oneal, *Triangulating Peace*, 168.

<sup>23</sup> Frank Frost, "Vietnam's Membership of ASEAN: Issues and Implications," Current Issues Brief- Parliamentary Research Service, no. 3 (95-96): 1, accessed April 20, 2017, <http://www.aph.gov.au/binaries/library/pubs/cib/1995-96/96cib03.pdf>.

resources and influence the U.S. is regarded as an important actor in the region. Involvement of the US, in the region as a whole and in relation to states in a dyad, will influence how Asia Pacific states behave with each other.

*Hypothesis 4:* Dyads in the region in which one state allies itself with China are more likely to experience disputes

China's emergence in the region is characterized by its fast-growing economic power since its reform in 1979 and asserting its control over the disputed maritime territories in the East China Sea and the South China Sea. At the same time of its advancement, China may start to create alliances with states in the region. States that align themselves with China will reflect and adopt China's goals in the region. This allows these states to engage in their own disputes in the region.

### **Research Design**

While most studies use all states in the international system as their sample, I confine mine to the Asian Pacific states to test if the conditions for peaceful coexistence Kant theorized can be applied to this region, based on what we know about its background and dynamics. Additionally, this is also an observation of how the security of this region is effected by the influence of a major power that is the U.S. and the ambition of regional and global hegemony of China.

To test my hypotheses, I use data for the 1945 to 2010 period, covering the following 16 countries in the Asia Pacific region: People's Republic of China, Japan, People's Democratic Republic of Korea (North Korea), Republic of Korea (South Korea), Republic of China (Taiwan), Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar (Burma), Philippines, Singapore, Thailand, Vietnam, and Australia. As a result, the unit of analysis is dyad-year, where

each observation is one pair of these countries from each year of the 1945 to 2010 timeframe. I chose these specific countries for several reasons. First, they are geographically and culturally proximate (except for only Australia), fitting the purpose of understanding regional dynamics. Second, the level of interaction between these states is high enough to observe political and economic patterns yet offers important variability like geographic contiguity and distance. For these reasons, the sample will provide an appropriate test of the hypothesized relationships. There are some countries (such as those in Melanesia, Polynesia and Micronesia) excluded from the sample, due to: small economies and populations, as well as being mostly smaller island states in the Pacific whose interactions with the majority in the region are infrequent.

The analysis covers the period of 1945 to 2010 in order to understand the political and economic evolution of the region during and after the Cold War as well as because of the availability of data. Many of the states in the region remained colonies before the end of World War II. It was only after WWII that most states made their claim for independence and sovereignty and were recognized. In addition, it was not until in the 1960s that we saw the inception of intergovernmental organizations and the gradual integration in parts of the region.

I test the hypothesized relationship between regional intergovernmental organizations on the highest level of hostility of Militarized Interstate Disputes by utilizing an ordered logistic regression. In both tests, I control for the other Kantian variables of democracy and economic interdependence, as well as formal alliances with the US, formal alliances with China, the Cold War, and the presence of China in a dyad.

Dependent Variable: Interstate Conflict

Due to the infrequencies of full interstate wars, I use MIDs ( Militarized Interstate Disputes) and war. The Correlates of War dataset serves as the original source of data and reference, in which data are recorded as MIDs on the state level.<sup>24</sup> For Dyadic MIDs, the dataset for MIDs was compiled using the MID 4.0 dataset in conjunction with EUGene software, which allows users to take data from the Correlates of War Project and create specific types of datasets, particularly dyadic MIDs for the purposes of this research.<sup>25</sup> I am interested in not the occurrence of a MID but rather the *level of a hostility* reached. The existence of a dispute in a dyad year alone is not enough, as there are various degrees of actions that states can carry out, resulting in different levels of hostility in a dispute. Therefore, the operationalization of hostility of disputes fits better in the model of the region, where the Kantian variables do not fully decrease the onset of disputes but rather, decrease the intensity of disputes. As more democratic states are more willing to limit their actions to low level uses of force, states that share membership in an intergovernmental organization may behave the same way, being in the same organizations will lead them to refrain from taking higher level actions against each other.<sup>26</sup> In order to capture the patterns and dynamics of the region, the variable **HIGHHOST**- severity of the conflict the highest general hostility level of both states in the dyad year, coded as:

- 0: No dispute
- 1: No militarized action
- 2: Threat to use force
- 3: Display of force
- 4: Use of force
- 5: War

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<sup>24</sup> Palmer, Glenn, Vito D'Orazio, Michael Kenwick, and Matthew Lane. 2015. "The MID4 Data Set: Procedures, Coding Rules, and Description." *Conflict Management and Peace Science*. Forthcoming.

<sup>25</sup> Bennett, D. Scott, and Allan Stam. 2000. "EUGene: A Conceptual Manual." *International Interactions* 26:179-204. Website: <http://eugenesoftware.org>.

<sup>26</sup> Bruce M. Russett and John R. Oneal, *Triangulating Peace: Democracy, Interdependence, and International Organizations* (New York: Norton, 2001), 96.

### Independent Variables: Regional IGOs

The primary independent variables of interest are shared membership in the following regional Intergovernmental Organizations: **APEC**, **ASEAN**, and **SEATO**. Correlates of War's dyadic IGO membership dataset records joint membership in IGOs in the international system.<sup>27</sup> Instead of studying how many institutions countries in a dyad share, individual organizations are considered independent variables. As previously explained they are the important organizations in their different influences over comprehensive regional security and economy, as well as state interests. Using IGO membership on the dyad unit, the conditions of membership in each IO for a dyad year is as follows:

- 0: No Joint Membership
- 1: Joint Full Membership

It is important to note that if either of the states in the dyad is not a full member of the organization or of the states are not system member of the organization, the variable will be coded as "no joint membership."

### Control Variables

#### *Democracy*

Democracy is also a Kantian variable that is hypothesized to have effects on MIDs and war. The measure of democracy of a country is taken from the Polity IV project.<sup>28</sup> The more autocratic states have fewer institutional constraints and accountability, therefore they are more

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<sup>27</sup> Pevehouse, Jon C., Timothy Nordstrom, and Kevin Warnke. 2004. "The COW-2 International Organizations Dataset Version 2.0," *Conflict Management and Peace Science* 21:101-119.

<sup>28</sup> "INSCRdata." Integrated Network for Societal Conflict Research (INSCR). Accessed October 23, 2016. <http://www.systemicpeace.org/inscrdata.html>.

likely to engage in aggressive behaviors. Therefore, if the less democratic country in a dyad has a higher polity IV score, it will behave in a less violent manner and seeks to resolve issues through means other than war. Consistent with previous researches using Polity score in dyads, the variable **DemL** takes on the value of the state in the dyad with lower Polity score.<sup>29</sup> The range for the variable is from -10 to 10, whereas -10 is a complete autocracy and 10 is a complete democracy.

*Economic Interdependence:*

There are many indicators of economic interdependence, but on the most basic level, trade flow between each country in a dyad is the basic indicator of economic interdependence. The dyad to fully understand the significance of trade, we need to look at how what portion of total GDP dyadic trade takes up.<sup>30 31</sup> The variable **DependL** takes on the value of the state with *lower dependence* on trade, calculated by the function:

$$\mathbf{Depend} = \mathbf{Dyadic\ Trade} / \mathbf{GDP}$$

Like the measure of democracy, the state with lower dependence on trade has lower risk of disrupting its economy when it engages in a dispute and will therefore be less constrained when making the decision to engage in a conflict. Because of availability of data, data are missing from 1945 to 1959, which limits my data to 1960 to 2010, where this is included for most countries of my study. As a result, incorporating this variable into the regression reduces the number of cases included in the models. In addition, because data taken from IMF (source for dyadic trade) do not have numbers for many years, nominal GDP data from World Bank are

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<sup>29</sup> Bruce M. Russett and John R. Oneal, *Triangulating Peace*, 97.

<sup>30</sup> Bruce M. Russett and John R. Oneal, *Triangulating Peace*, 140

<sup>31</sup> Katherine Barbieri, *The Liberal Illusion: Does Trade Promote Peace?* (Ann Arbor: University of Michigan Press, 2005), 53.

collected instead.<sup>32</sup> Moreover, another issue is systematic missing data for Taiwan and North Korea, as well as Laos, which also leads to the issue of not representing some very special states such as Taiwan and North Korea.

### *US and China Alliance*

**USGap** and **CHNGap** are two variables that represent formal alliances made with the United States and China, respectively. The Formal Alliance dataset recognize the four types of formal alliances and gives them a value of 1 for the existence of an alliance and 0 for the lack thereof. The first type of alliance is defense, when there is a defense pact that a state is protected. The second, neutral agreement is when the parties remain neutral to each other. Third, nonaggression is the promise that the parties will not attack each other. Fourth, entente is the agreement to consult with each other in an event of a crisis.<sup>33</sup> Based on how data are coded in the original dataset, there are inherent ordinal differences between the types of agreements. As a state can make multiple alliances with the U.S. or China, to see if the U.S. or China favor one state over the other the variable can be calculated this way:

$$\text{total number of alliances} = \sum \text{types of alliances}$$

This raises the issue of not taking into account the inherently higher strength of some forms of alliance over others. As an alliance with higher strength is still stronger than all of the alliances weaker than it combined, I assign multipliers so that strength of alliances still can be accounted for when there are multiple alliances made with the US.

Defense  $\times$  16

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<sup>32</sup> World Bank, "GDP (current US\$)," World Bank Data, accessed October 23, 2016, <http://data.worldbank.org/indicator/NY.GDP.MKTP.CD?view=chart>.

<sup>33</sup> Douglass M Gible, *International military alliances, 1648-2008*. CQ Press, 2009.

Neutral × 9  
 Nonaggression × 4  
 Entente × 1

With the multipliers added, the number of alliances will be calculated this way for a state in a dyad:

*total number of alliances =*

$\Sigma$  (*types of alliances × multiplier of corresponding alliance*)

Once the value for each state is calculated, the absolute value of the subtraction between state a and state b will show if the U.S. or China favors one state or another. As the dyad years are constructed as non-directed dyads, it is not important to distinguish whether state a or state b is more favored by the United States. A value of 0 or close to 0 implies a balance and neutral relationship towards a dyad. A larger value implies the U.S. or China favors one in a dyad over the other.

For the variable CHNGap, as it represents military alliance balance made with China, I have to exclude dyad-years that includes China. As a result, the statistical analysis model that contains this variable will have a smaller number of observations.

### *Cold War*

The variable COLDW is a simple dummy variable that indicates which dyad years that fall into the period of the Cold War. A “1” indicates that the dyad year is in the Cold War, while a “0”.

The Cold war is important in that in this period, there were different power dynamics in the region such as the process of decolonization in South East Asia, as well as the prominent influence of the Soviet Union.

### *China*

There is much complexity in China's roles in the region. It remains the second largest economy in the world and a crucial trade partner to many states in the region. As previously mentioned, it is also trying to solidify its position as regional hegemon and contend for the role of international hegemon, which impacts its interactions with other states. Two different set of models, one includes a dummy variable to examine how China may influence the region, and the other does not have the control for China. For this, I run different models with the dummy variable CHN takes on the value of "1" for dyads that include China and "0" for those that do not.

### **Results and Analysis**

Table 1: Ordinal Logistic Regression of Highest Hostility of MIDs

DV: Highest Hostility	Model 1	Model 2	Model 3	Model 4	Model 5
APEC	0.73034** (0.24974)	0.45788^ (0.25777)	0.81497*** (0.24952)	0.54191* (0.25889)	-0.21459 (0.37425)
ASEAN	-0.38989^ (0.23812)	0.19994 (0.25565)	-0.59375* (0.24256)	0.03321 (0.26532)	-0.0908 (0.28094)
SEATO	-13.43209 (444.744)	-15.28441 (1332.326)	-14.13794 (634.586)	-14.03389 (709.922)	-14.1773 (689.226)
Lower Democracy Score	-0.12340*** (0.02108)	-0.05773** (0.02198)	-0.09650*** (0.02233)	-0.04698* (0.02278)	0.01652 (0.02451)
Lower Dyadic Trade Dependence	552413 (1389732)	-838867 (1484514)	-28897 (1378296)	-949243 (1456420)	4693806*** (1743771)
Cold War	0.72987*** (0.22201)	0.78157*** (0.22888)	0.82616*** (0.22280)	0.84156*** (0.22971)	0.85592** (0.30744)
Asymmetry of Military Alliances with the US			-0.03753*** (0.00873)	-0.02071* (0.00923)	-0.06277*** (0.01294)
Asymmetry of Military Alliances with China					0.15820*** (0.04249)
China		1.44306*** (0.18774)		1.30980*** (0.19553)	
N	3014	3014	3014	3014	2449

Robust standard errors in parentheses, \*\*\* p<0.001, \*\* p<0.01, \* p<0.05, ^ p<0.1

Table 1 presents my statistical results with 5 models. All models have the highest hostility of a dyad year (HIGHHOST) as the dependent variable. For independent variables, all models have the following: APEC, ASEAN, SEATO, Lower Democracy Score, Lower Dyadic Trade Dependence, Cold War

. Model 1 serves as the base model with the aforementioned variables. Model 2 and 4 introduce the control variable for dyads with China that is missing in models 1 and 3. Model 3 introduces USGap to represent military alliance balances with the United States. Model 5 introduces CHNGap to examine the possibility of a different effect of Alliances made with China.

Regarding the effects of Regional Intergovernmental Organizations on the level of hostility of disputes, the findings provide some intriguing results. The most interesting finding is the relationship between *APEC* and level of hostility in the region. *APEC* has a significant positive relationship towards the highest level of hostility of the dyadic MID. This relationship is opposite of what I hypothesized for *APEC* and may be the result of the characteristics of *APEC*. Specifically, the membership of *APEC* consists of a vast range of states not in just the Asia Pacific, such as the United States, Canada, Mexico, and Russia, as well as many other states. In addition, the level of integration from *APEC* is not deep enough to create an identity that holds members together. The level of coordination that *APEC* facilitates is not regular, leading to members not able to form a coherent agenda that addresses the interests of all members. Another factor that *APEC* has that may increase the likelihood of conflict between its members is that it can create contentious or imbalanced trade relations; weaker members are susceptible to asymmetric relationships with larger states by being members of *APEC*. As stated by Barbieri, this results in dependency of one state on another, leading to costs incurred by the weaker

state.<sup>34</sup> Tensions will arise from the undesirable outcome of such relationships and conflict will follow. The economic environment that APEC facilitates can create imbalanced trade relationships that leads to tensions.

For the relationship between *ASEAN* and the level of hostility, model 1 suggests a significant, negative relationship for ASEAN. Joint membership in ASEAN is more likely to reduce the Hostility of conflicts in dyads. When controlled for military alliances with the U.S. in model 3, the results show a statistically significant negative relationship for ASEAN as well. With regional integration and stability as its goal, addressing disputes. However, model 2, 4, and 5 do not produce significant results for ASEAN. The introduction of the control variable for China has made the results no longer statistically significant. Although it has made many attempts in resolving disputes, ASEAN's structure has prevented it from being truly effective. ASEAN must have consensus before setting a joint agreement to deal with a particular issue. Dispute resolutions have been the most difficult for ASEAN members to gain consensus for due to their conflicts of interests. This has weakened ASEAN's pacifying effect greatly.

The reason ASEAN and APEC have such different effects on disputes in the regions may stem from their fundamental differences in these two organizations. The first difference is the scope. APEC focuses solely on fostering free trade and advocates for neoliberal economic policies in the region. On the other hand, ASEAN is more integrated and developed beyond economic cooperation to encompass coordination in the areas of education, culture, and most importantly foreign affairs. In addition to regular ASEAN summits for the member heads of government, there are also regular meetings on the ministry level.<sup>35</sup> This indicates a deeper level

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<sup>34</sup> Katherine Barbieri, *The Liberal Illusion: Does Trade Promote Peace?* 32

<sup>35</sup> "ASEAN Sectoral Ministerial Bodies," ASEAN, accessed April 20, 2017, <http://asean.org/asean/asean-structure/asean-sectoral-ministerial-bodies/>.

of commitment made by members by ensuring they can coordinate various policies, consult with each other, and frequent communication to address the interest of individual members. Despite the limitations of ASEAN's consensus mechanisms, the organization allowed its members to have a fairly effective ground to cooperate for mutual benefits in terms of security, economics, as well as other areas, while APEC focuses mainly on economic interactions but can potentially lead to asymmetry in these interactions, as Barbieri has described.

The second critical difference between APEC and ASEAN is the membership of the organizations. APEC comprises states from both sides of the Pacific. The heterogeneity of the members can make it hard to develop an agenda that benefits all of its member the same. Moreover, for an international institution for economic interdependence, the heterogeneous nature of the organization makes it difficult for members to share common interests, with some even having obviously divergent interests. On the other hand, the member states of ASEAN do share common goals and direction, and culture. Also, despite the members having different levels of economic development, their economic interdependence is quite balanced. Although there are some countries with a higher level of economic development, the sizes of individual economies and powers are not disproportionate to the point that there is a dominant actor in ASEAN. As a result, members are treated as equals. These elements allow ASEAN to coordinate more easily and guarantee net benefits from cooperation.

The South East Asian counterpart to NATO in the Cold War, *SEATO* was short-lived, becoming defunct in the late 1970s, after just over two decades. The organization depended heavily on the United States. Therefore, as the U.S. withdrew from the region after the Vietnam War, SEATO was left without major support. Therefore, it is difficult to see what effects joint membership in this organization have on the region. Unlike the expectation of displaying some

kind of a relationship towards MIDs in the region, SEATO has become irrelevant in our understanding of the effect of a security institution on the region. In its years of activity, SEATO has failed to make achievements in handling threats from communist forces of the time. For most models (all but model 6) we see a significant and negative effect of *democracy* on disputes and war. This variable behaves as we would expect based on prior literature, and these results further support the democratic peace theory. As the less democratic country in a dyad's Polity IV score increases, it is less likely to engage in disputes with other, more democratic states in the region. This can be explained by the increase in institutional constraints on the government. The government is held accountable by its population, and there are checks and balances that prevent them from acts of violence against other countries. Because of the variable for democracy being constructed in the way that it takes the value of the state with lower Polity score, the finding implies that only when both states are democratic that they would have a pacifying effect. Only when both democracies are held accountable and are constraint from engaging into disputes that we can expect them to be less conflictual. Regarding the effects of *Economic Interdependence* on conflict, the relationship is statistically insignificant for all models. It may be that trade does not have any effect at all in the Asia Pacific region, or— the more likely explanation— the effect is not being observed due to missing trade data. For countries such as Taiwan and North Korea, missing data pose a problem for the results, as we cannot see economic interactions between them and other countries of the region. Taiwan's status in the international systems is a complicated issue that also manifests in how it interacts with other countries economically and politically. The missing data for North Korea is a bigger problem for the study as we cannot observe how its economic interactions (if any) in the region can influence its behavior.

The use of trade interdependence poses two problems. First, the unavailability of data prevents accurate analysis. In addition to missing data, using trade as a measure of economic interdependence may not be the most accurate in capturing the economic activity in the region. The use of trade only represents a superficial level of interactions between states. The emergence of the regional and global economy has allowed for more interactions to be made between countries that ties them together economically. Beyond the influence of trade, there are more indicators such as monetary interdependence, the measurement of how closely the currencies of the countries in a dyad relate to each other. Another measure is bilateral Foreign Direct Investment (FDI), characterized by the flow of investment from one country to own a business in another. FDI show a level of high commitment put into a country, as businesses will only invest with the expectation of some profits, and FDI takes a long time to generate profits. Being inherently stable, bilateral FDI can give us a more sense how two economies are interdependent through long term investment and commitment to one another, leading to the perception of increased costs of disputes and increased benefits of cooperation and will thus be added in future analyses. We must understand that Asia's economic model differs from other regional models, especially Europe. Therefore, bilateral FDI may have a greater effect than the exchange of goods and services.<sup>36</sup> Recognizing the importance of such indicators, I will expand my future analysis of these factors by including bilateral FDI between the countries in the region.

Results for *Formal Alliances with the United States* has shown that imbalanced alliances with the U.S. decrease conflict in a dyad. Dyads with the United States that favor one state over another are less conflictual, as shown by models 4 and 5. When one state has formal alliances

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<sup>36</sup> "Regional Economic Institutions and East Asian Security," in *The Nexus of Economics, Security, and International Relations in East Asia*, ed. Avery Goldstein and Edward D. Mansfield, by Miles Kahler (Stanford: Stanford University Press, 2), 68-69.

with the U.S. and the other does not, it can be that the perceived costs of engaging in disputes will be higher for the state with weaker, or especially no, alliances with the United States. On the other hand, states that are allies with the U.S. in the region tends to be more democratic, which means that they are more institutionally constrained and will not actively seek conflict.

Establishing military alliances with the U.S. can be effective in creating a deterrence mechanisms for states in the region. The models may fail to capture the difference if there is a situation that a dyad with both states being U.S. allies may behave differently than dyads with neither state being U.S. allies. Regarding the effect of *military alliances with China*, the results show that dyads that a state that is aligned with China are more conflictual. This may mean that the nature of the alliances made with China allows that state to challenge another state in the region rather than establishing deterrence like conventional military alliances, reflecting China motives to expand its power in the region. However, by examining more closely we can see that it is more about who allies themselves with China rather than the nature of the alliance. The only state that makes a defense pact, as well as other types of formal alliances, with China is North Korea, which is an outlier in the data. North Korea is known for its challenging behavior towards other states in the region such as South Korea and Japan. It also does not possess any characteristic Kant describes— democracy, economic interdependence, or membership in an Intergovernmental Organization. Therefore, the result of this variable tells very little about the formal alliances with China due to the limited number of alliances made.

With the models that controls for dyads with *China*, we see a change in results that is different to those without the control for China. China has a significant and positive relationship with conflict. All models that have China as a control variable show this relationship, suggesting that it is a destabilizing factor in the region. This is further supported by the ongoing disputes

over the maritime areas in the South China Sea and East China Sea between China and multiple states in the region. In addition, the inclusion of this variable has changed substantive results for the main independent variables, making the results for them no longer statistically significant.

*The Cold War*, although it was the period that led to the rise of intrastate conflict rather than interstate conflict, it does not mean that interstate conflict was not high during this time. In the case of the Asia Pacific region, the Cold War consistently has a significant positive relationship with hostility across all models. Although interstate war saw a reduction after the Second World War, the conditions of the Cold War still allowed for Militarized Disputes to occur. The first reason is that the U.S. and the Soviet Union were both willing to supply and sponsor proxy wars, regardless of them being civil wars or interstate wars. The second reason is that during the Cold War, many states in Asia Pacific were forming in the process of decolonization. Newly independent states are often characterized by a power vacuum and, thus, an opportunity for both the United States and the USSR to expand their influence. Thus, many states in Asia Pacific became ground zero for the battle between these two super powers; these battles took the form of civil war and militarized interstate disputes.

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### **China, Japan, Philippines, and Vietnam- Games of Cooperation and Contention**

With China emerging as a regional power and aiming towards a global position after the end of the Cold War, we have been observing their substantial influence and impact on the Asia Pacific region. Based on China's intentions and interactions with other states in the region, we can expect to observe a relationship that can be best visualized in game theory model. In this study, although each possible dyad can be treated as a game by itself, as the role of China is so prominent, there will be more implications by studying games that involve China as a player. Given that it would be impractical to specify a game for each potential China dyad, I focus on three regional actors that are representative of important dyadic relationships. I build three game theory models between China and Japan (rivalrous), the Philippines (semi-friendly), and Vietnam (friendly). An important assumption is that if the player is more rivalrous to China, it should be more aligned with the US; with this logic, the role of the U.S. is at least somewhat accounted for in the game.

In reality, it is difficult to have the correct picture of the actual payoffs each decision brings to the states as they can never get full information. However, their perception of payoffs is no less important than the perceived payoffs, as they will shape states' decision making. In order to find the suitable value to represent the relative the payoffs, we can use past interactions between the two states to observe the actions as a means of deducing their desired outcomes and payoffs. Relative payoffs are therefore assigned to represent the desirability for the outcome for the players. For each game, a payoff matrix is set up for the two players. Japan, the Philippines, or Vietnam are displayed on the rows of the matrices. China's options are displayed on the columns. Each player is given two choices: to cooperate with the other player, or to advance their

own claims on disputed territories, which have become the center of contestation and militarized disputes between states in the Asia Pacific region.

### **China-Japan**

The relationship between China and Japan can be considered one of the most crucial in the Asia Pacific region. Japan is one of the most strategic formal allies in Asia of the United States. Having little military capabilities after WWII, Japan relied heavily on the protection of the US. On the other hand, Japan is also economically tied to China, relying on China for its natural resources and manufacturing facilities. In reality, this relationship is much more complex than what is possible to build into this simple game, but essentially it can be compressed to a simpler form. Regarding their disputes, the Senkaku/ Diaoyu islands have been contended by China and Japan for a long time. However, under the rule of Deng Xiaoping, both agreed to not escalate their confrontation and focused on economic cooperation.<sup>37</sup> This issue has only reemerged in the 2010s.

China has the following options: to engage with Japan economically (through trade and investment), to militaristically advance claims against Japan (engage in a dispute), or to do nothing to Japan. Japan, being a U.S. ally and having little military capabilities, will not have the option to directly advance its claims against China militaristically, but rather must rely on the U.S. to challenge China. On the other hand, Japan can cooperate with China economically, which is indicated through the size of their dyadic trade relationship. Both sides can decide to do nothing, meaning both will have little interactions with each other if they perceive no benefits

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<sup>37</sup> Zhang Tuosheng, "Disputes over Territories and Maritime Rights and Interests," in *The Nexus of Economics, Security, and International Relations in East Asia* (Stanford, California: Stanford University Press, 2012), 129.

nor threats from the other. Following this rough model, we can have a payoff matrix with 4 outcomes:

	China		
Japan		Cooperate	Advance Claims
	Cooperate		
	Advance Claims		

*With U.S. protection for Japan:*

In order to quantify the payoffs that each state gets from each outcome, we need to account for the costs and benefits for each player. The expected utility (payoff) for each player is difficult to quantify, but it can be somewhat measured by assuming the goals of each state, which is to advance their own national interests, to promote mutual benefits, or sometimes both.

When both states cooperate with each other, they will gain mutual benefits and economic growth. However, it is important to note the symmetry of this relationship. By looking at the dataset for dyadic trade, the proportions of dyadic trade in total GDP for both players are close. The mean proportion over the span of the years of the study seems to indicate a somewhat balanced trade relationship. Therefore, the payoffs for both China and Japan cooperating are (2;2).

When Japan cooperates and China advances their claims, the two are into an imbalanced relationship. A state will only consider conceding to another when its payoff for advancing is less than cooperating. In reality, China can offer some benefits for Japan, which could be economic benefits such as access to natural resources or labor, which are both important to Japan's economy. However, due to Japan's economy being more equal to China, Japan is not very dependent on its economic relationship with China, resulting in fewer economic benefits.

With protection from the US, it is highly undesirable for Japan to give in to China. If Japan cooperates and China advances, their payoffs will be  $(-3; 3)$ , a big gain for China at the big cost for Japan. Vice versa, when Japan advances and China cooperates, it will cost China the control over the disputed areas and a big gain for Japan. The payoffs for this outcome are  $(3; -1)$ . While Japan can offer some economic benefits to offset the costs for China giving up the control of the disputed territories, China's economic strength is stronger than Japan. They would not offset the cost of losing the strategic area whose control perceived as more important to the survival of the state.

The most difficult to quantify is when either of the two decides to advance their own claims by challenging the other. China has a low cost to challenging Japan. It has little institutional constraints and therefore does not need to be held accountable by its population when making the decision to mobilize its military. On the other hand, Japan is dependent on US's protection, and without it will have no capacity to challenge China's claims. In addition, being both democracies, the institutional constraints prevent Japan and the U.S. to be actively aggressive against China. However, Japan has been counting on its ally for protection, which has been consistent for Japan since the beginning of its formal alliance with the US. When the U.S. protection for Japan is visible, Japan can respond to China and return with hostility. This leads to disputes between the two players. As a result, both will suffer from losses, represented by negative payoffs for both players  $(-2; -2)$ .

With how the model is set up, it seems that the players are in a prisoner's dilemma, both choosing to advance their own claims as a dominant strategy, resulting in the equilibrium of both states deciding to engage in conflict with one another. However, Japan's balance with China allows it to communicate the negative outcome of both states challenging each other. If China

chooses to advance their claims, Japan can respond in kind to ensure that there will be no gain for China. This tit for tat approach allows for both states to continue cooperation, leading to the equilibrium payoffs (2;3).

*Without U.S. protection for Japan:*

The U.S. here is an external factor whose decision will affect the outcomes. Over the past few years, the Japanese government has been discussing the potential of the remilitarization of the Japanese National Defense Forces to respond to their disputes with China. The uncertainty of U.S. support will allow China to perceive the greatly reduced cost of challenging Japan, even if Japan begins to rebuild its forces. Despite no major engagements between the two, tension may arise when the uncertainty factor in this game is high.<sup>38</sup> The new Trump Administration may pose a complexity of this particular region. In this case, we are seeing statements being made about the withdrawal of U.S. influence in the region both economically and military, although the former has been more observable while there has yet to be a clear action about the latter.<sup>39</sup> As a result, the uncertainty may lead to an increase in some acts of hostility in the future instigated by China. Having established an alliance with Japan, the U.S. has been providing its military support as protection for Japan. However, the certainty of U.S. protection in the recent years is being doubted. If the uncertainty of U.S. support holds true, the payoffs of the players will be changed in the direction that allows China to have an advantage over Japan. There would not be much difference when both states are cooperating, so the payoffs will be the same (2;2).

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<sup>38</sup> "China's Maritime Disputes," Council on Foreign Relations, accessed April 20, 2017, [http://www.cfr.org/asia-and-pacific/chinas-maritime-disputes/p31345#!/?cid=otr-marketing\\_use-china\\_sea\\_InfoGuide](http://www.cfr.org/asia-and-pacific/chinas-maritime-disputes/p31345#!/?cid=otr-marketing_use-china_sea_InfoGuide).

<sup>39</sup> That being said, recent events in North Korea have, at least temporarily, changed the Administration's rhetoric concerning the region. This very uncertainty presents not only problems for creating a reliable game but also poses potential problems for the interaction between Japan and China given the number of unknowns.

However, without its military capacity, the payoffs for Japan to advance its claims are much lower, regardless of China's actions. Consequently, China can safely pursue its dominant strategy, which is to advance claims, while Japan would lose the capacity to respond in kind. Japan then would have to cooperate with China as a result because going into conflict with China will result in the lowest payoff for Japan (-3). The equilibrium outcome is then China- Advance claims and Japan- Cooperate.

		China	
		Cooperate	Advance Claims
Japan	Cooperate	<b>2;2</b>	-3;3
	Advance Claims	3; -1	-2; -2

Protects Japan (I)

United States

		China	
		Cooperate	Advance Claims
Japan	Cooperate	2;2	<b>-1;4</b>
	Advance Claims	0; -1	-3;1

Does not protect Japan (II)

Based on the estimated payoffs, we can see that *the outcome is heavily dependent on the involvement of the US*. When China perceives its relative strength as stronger when Japan no longer has support from the US, it will advance its claims as its likelihood to be successful is higher due to Japan's inability to respond. In the short run, Japan will have to cooperate as it is less costly for them. China and Japan may be able to reach stability through China's hegemony, but the outcome is negative and undesirable for Japan as it receives negative payoffs from this outcome and may seek alternate means to rebalance the game. In the long run (not shown), Japan could begin to rebuild its military capacity to respond with aggression. However, if China

perceives a potential inclination to respond with aggression, it will nevertheless attempt to make an advantage to be the first to advance its claims before Japan can respond.

### **China-Philippines**

In addition to China's ongoing disputes with Japan, it also has overlapping territorial claims with other states in the Pacific. Recent developments have shown that it is advancing in the South China Sea. There are multiple states with overlapping claims with China, but the most notable are Vietnam and the Philippines. Each of the two have taken similar actions but diverged.

The Philippines has been vocal with regards to its opposition to China's claims. Having been another U.S. ally in South East Asia, the Philippines has benefitted from U.S. protection. The Philippines has also taken clear confrontational actions against China, especially with bringing their disputes in the South China Sea to International Court.<sup>40</sup> However, with the change in presidency in the Philippines in the summer of 2016, the current president Rodrigo Duterte has been showing signals of realignment with China and away from the US. This may signal the Filipino's regime's perception of U.S. protection is changing. As the strength of support the U.S. gives the Philippines changes, so will the preference of the Philippines. Based on the assumption that states are rational, we can infer that the Philippines has perceived a better payoff by cooperating with China than with the U.S. With China's economic power, it could be that the Philippines perceives the potential for Chinese investment as more tangible than receiving the traditional protection from the US. This could be more observable with the withdrawal of the U.S. from the Trans Pacific Partnership. By not challenging China and

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<sup>40</sup> Katie Hunt, "Philippines vs. China: Court to Rule on Territorial Fight," CNN, July 12, 2016, accessed April 20, 2017, <http://www.cnn.com/2016/07/11/asia/philippines-china-south-china-sea-hague-ruling/>.

adopting a more cooperative approach, the Philippines could be rewarded with economic benefits from China. This will allow the disputes to be resolved in a manner that direct confrontations are avoided. However, beyond the claims and actions made by Duterte, it is still very unlikely that the Philippines will let go of its claims on the disputed areas in the South China Sea. The disputed areas hold important value for strategic control over the maritime area, as well as the rich natural resources underneath it.

In terms of payoffs, the Philippines- China game can be constructed similar to the Japan-China game, and we can expect the payoffs to be influenced by involvement of the United States in the Asia Pacific region. Also, much like Japan with U.S. support, the Philippines can pursue the same tit for tat strategy. The Philippines' economy is much smaller than China's, and the Philippines is more dependent on its trade with China, leading to a higher payoff for the Philippines (3;2).

*With U.S. protection for Philippines:*

Much like the game for Japan, with protection from the U.S. the Philippines can balance themselves with China and result in a game equilibrium that both states will cooperate (3;2) or advance their claims (-2; -2). The Philippines has shown its capacity to utilize its military capacity to respond to China's advances, unlike Japan, the Philippines has a legitimate organized military, which it can use in addition to the protection from the US. As a result, the Philippines-China game can reach the same equilibrium with the Japan- China game if both players are aware of the payoffs.

*Without U.S. protection for Philippines:*

Without the US, China will have leverage over the Philippines. One reason is that China has more military power, already making disputes against China without backing from the U.S. costly. Another reason is that China can offer benefits in the form of economic benefits so that the Philippines will agree and cooperate when China advances. Being a developing country, economic development is crucial. Traditionally, the Philippines has received large amount of investment from the U.S. and little from China. However, if the U.S. pulls back on its neoliberal economic policies— as the current Administration has promised— China will soon emerge to offer an alternative to U.S. investment into the Philippines. This results in the Philippines will have to cooperate while China will take the dominant strategy to advance claims because challenging China will be costlier. The equilibrium for this situation will be (2;3). This outcome leaves the Philippines with lower payoffs than the other scenario. However, in contrast to Japan without U.S. support, the Philippines would be given deals with China and may gain benefit from cooperation.

	China		
Philippines		Cooperate	Advance Claims
	Cooperate	<b>3;2</b>	-2;3
	Advance Claims	2; -1	-2; -2

Protects Philippines

United States

	China		
Philippines		Cooperate	Advance Claims
	Cooperate	3;2	<b>1;3</b>
	Advance Claims	1; -1	-3;1

Does not protect Philippines

**China- Vietnam**

China's relationship towards Vietnam is complex. Despite both being under communist rule, there were different periods of animosity between the two with multiple disputes over the overlapping claims on the South China Sea and the war of 1979. Vietnam has been vocal of its claims, much like the Philippines. Nevertheless, it still recognizes the importance of the economic relationship that it has established with China. China remains one of the biggest trade partners with Vietnam and the biggest source of bilateral Foreign Direct Investment.<sup>41</sup> On the other hand, after its normalization in relations with the U.S. in 1995, the trade relationship between Vietnam and the U.S. has seen a significant increase. By balancing between the U.S. and China, Vietnam gets benefits from both, which is somewhat similar to the direction the Philippines is moving towards. The U.S. and China both try to win Vietnam over by offering trade deals and investment. The U.S. was even willing to provide low level military aid in the form of military training and the lifting of the embargo of lethal arms in Vietnam.<sup>42</sup> Nevertheless, the U.S. is still a long way from being willing to commit considerable military support to Vietnam. As a result, it is more difficult to estimate the payoffs for Vietnam as it has been showing mixed signals, making attempts to draw benefits from both China and the US.

Furthermore, Vietnam is extremely dependent on its economic relationship with China, who remains the largest investor and trade partner of Vietnam. The economic benefits that China offers for Vietnam's growing economy could be large enough to outweigh the costs. Nevertheless, the U.S. still looks for Vietnam as the potential balance for China as Vietnam remains one of the most vocal claimants to the disputed areas in the South China Sea.

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<sup>41</sup> "Bilateral FDI Statistics," UNCTAD Statistics, accessed April 20, 2017, <http://unctad.org/en/Pages/DIAE/FDI%20Statistics/FDI-Statistics-Bilateral.aspx>.

<sup>42</sup> David Nakamura, "In Historic Move, U.S. Lifts Embargo on Arms Sales to Vietnam," The Washington Post, May 23, 2016, accessed April 20, 2017, [https://www.washingtonpost.com/news/post-politics/wp/2016/05/23/in-historic-move-u-s-lifts-arms-sales-embargo-to-vietnam/?utm\\_term=.374e86a366ea](https://www.washingtonpost.com/news/post-politics/wp/2016/05/23/in-historic-move-u-s-lifts-arms-sales-embargo-to-vietnam/?utm_term=.374e86a366ea).

*With U.S. support for Vietnam:*

The scenario for Vietnam differs greatly from that of Japan or Philippines. Vietnam has had a very contentious relationship with China over the South China Sea and would not let go of its claims. Vietnam's renormalization of relations with the U.S. has introduced new economic opportunities beyond China. Vietnam obviously does not get military protection from the U.S. Making its chances against China lower than the other two games that we have seen. The payoffs for Vietnam are consequently different from the payoffs of Japan and the Philippines with U.S. protection. In addition, the area in contention between Vietnam and China is much larger and more significant than the other two games, as it encompasses most the South China Sea as well as possesses a large amount of unextracted natural resources.<sup>43</sup> Even more important is that the control over the area is especially important for trade routes and security. As a result, the stakes to control the region are higher for Vietnam. At the same time, it does not have many resources to advance its claims on the disputed regions, making it costlier for Vietnam to take control over these territories or challenge China. Translated into payoffs, Vietnam's game is different from the others. Even with the involvement of the US, Vietnam still does not possess the capacity to challenge China. Regardless of which choice China goes for, Vietnam would suffer losses greatly either way. This would be tempting for China to advance its claims. However, Vietnam can still rely on the U.S. to have the resources needed to commit to challenge China making China's payoffs for advancing less than for cooperating. As a result, if Vietnam can fully commit to signal challenge to China, the equilibrium for this game can be similar to Japan and Philippines, which is (3;2).

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<sup>43</sup> "U.S. Energy Information Administration - EIA - Independent Statistics and Analysis," South China Sea - International - Analysis - U.S. Energy Information Administration (EIA), accessed April 20, 2017, <https://www.eia.gov/beta/international/regions-topics.cfm?RegionTopicID=SCS>.

*Without U.S. support for Vietnam:*

Without the U.S. providing for Vietnam military and economic support, the costs to challenging China will be even higher for Vietnam. China will increase its already strong economic ties with Vietnam, making it even more dependent. As a result, Vietnam will be willing to cooperate with China. As a result, the equilibrium outcome for this situation will be (2;3).

Assists Vietnam United States		China		
	Vietnam		Cooperate    Advance Claims	
		Cooperate	<b>3;2</b>	-2;3
		Advance Claims	2; -1	-2; 0

Does not assist Vietnam		China		
	Vietnam		Cooperate    Advance Claims	
		Cooperate	3;2	<b>2;3</b>
		Advance Claims	0; -1	-3; 1

**Conflict as a result of mixed signals**

Why have these states taken different approaches when it comes to their disputes with China? Japan, firstly, does not have a legitimate military but has, historically, been protected by the U.S. Also, with the backing of the US, it grew to be the economic power of Asia with the 2<sup>nd</sup> highest GDP in the world until it was overtaken by China in 2010.<sup>44</sup> Despite still having economic ties with China, Japan's already developed economy allows it to balance against China. In addition, Japan has been consistently relying on the military and economic support from the US, who is unsurprisingly the biggest investor and trade partner to Japan.<sup>45</sup> On the other

<sup>44</sup> "World Bank Open Data," The World Bank, accessed April 20, 2017, <http://data.worldbank.org/>.

<sup>45</sup> "Bilateral FDI Statistics," UNCTAD Statistics

hand, the economies of the Philippines and Vietnam still rely on large amounts of new investment in order to continue growing, and China remains the biggest investor in both. Even if the players do not want to concede the disputed territories to China, the economic benefits from maintaining a good relationship with China for these two states cannot be ignored— benefits that Japan does not need.

From the interaction between states shown through the game models that were developed, we can observe a factor of uncertainty that was introduced by the U.S. has made all of the players adopt a mixed strategy between both advancing their claims and cooperation. More specifically, in their disputes with China, states with greater economic development and independence such as Japan will be more confrontational than cooperative, but it will be limited in its military capabilities to respond to China. Given enough time, there may be a push for Japan to begin rebuilding its military. On the other hand, the Philippines and Vietnam will be more cooperative towards China as their growing economies are attracted by what China can offer. To break away from the dependence, another actor has to provide aid to Vietnam and Philippines so that they can shift away from China. Therefore, as the U.S. increases support for the two, they will start to do so.

Although not being a player in the games, by having self-interests in the region the U.S. wants to modify the payoffs so that the three states' power in relative to China's can be increased and balanced. In addition to providing military assistance and presence, economic incentives and investments have also been made into the region. If the current administration changes the United States' approach in the region in the near future, we will begin to see China pushing its claims of the disputed territories in the region to establish itself as a regional hegemon. Additionally, its own regional economic agenda that will replace the status of the U.S. in the

region. According to the Balance of Power theory, when the relative power of states is balanced, they will be less likely to engage in conflict with each other because neither is guaranteed the victory and, therefore, the payoffs from the victory. This is the case when Japan, Philippines, and Vietnam receive support from the United States, as they can raise their relative positions against China. Essentially, the probability of China achieving a victory and the associated payoffs decrease, which makes it less likely they will initiate conflict; likewise, because China is still relatively stronger than the other countries in the region, the same logic applies. In contrast, the Hegemonic Stability theory claims that the presence of a hegemon will establish stability. In the context of Asia Pacific, as China is emerging as a regional power, it has the capacity to advance its claims regardless of the other player's choice. Ultimately, the role that the U.S. decides to play in the region will have a significant impact on the relationships between countries and overall stability of Asia Pacific.

As a result, support from the U.S. could result in regional stability through balance of power (if a close enough balance can be achieved), and the lack of U.S. support might result in stability through a hegemonic China. However, as China's strength is still considerably larger than the strengths of other states in the region. China's emergence will mean that smaller states will be coerced into cooperation. Such outcomes have been shown to be undesirable for these states, which means conflict is more likely to occur. Although we see only two scenarios involving the U.S. we cannot be truly certain which one the U.S. has chosen. One limitation of these models is that they do not capture change. Change is important to know as change in U.S. preferences leads to uncertainty, and uncertainty of U.S. support results in miscalculations of payoffs. Consequently, regardless of to which scenario the change is, conflict is more likely to

occur when the U.S. changes its preference and the situation is unknown. Asia Pacific countries therefore need to seek an additional route

Despite the clear advantage of utilizing these three games, it is important to note that one assumption I have yet to account for is domestic pressure on foreign policy decision making. If the goal for the state is to survive, so is the goal for leaders is to stay in power. In order to stay in power, the people in power need to listen to domestic pressure. In certain cases, in which it seems more beneficial for a player against China to cooperate, domestic pressure might impose a cost on the payoffs. Domestic pressure, however, is not easy to estimate, as it varies across regime types, level of economic development, etc. and at this time has been excluded from the games.

### **Policy Implications**

In terms of policy, if we want regional institutions to be effective in establishing a peaceful and stable region, we have to consider the nature of the institutions and how they can address the interests and motivations of the states that participate in these institutions. An institution needs to be designed with the goal towards integration in mind. Undoubtedly, states will be wary of integration as it may erode some sovereignty, and newly formed intergovernmental organizations tend to lack the capacity to fully integrate their members. However, as the organizations develop, participation and input from its members incentivizes their commitment, due to their ability to draw benefits from the organizations.

If states in Asia Pacific desire to achieve stability through balancing the power of China, they have the choice of forming intergovernmental institutions so that they can pool their resources for collective strength. The multilateral institution they enter must be redesigned in the

way that members can be more closely bound, starting from forming a robust and efficient economic community to match the economy of China. These institutions also need to form a strong identity yet be open to engage all states in the region in an equitable manner. In the case of APEC, its comprehensive membership allows for all state actors in the region to be involved but it is unable to create balanced relationships with its member, as the organization is dominated by big economies such as the U.S. and China. On the other hand, SEATO was exclusive in the region yet failed to become a coherent security pact in Southeast Asia. ASEAN so far has been more successful, and its member are committed in building a strong ASEAN identity. Nevertheless, its structure is still deficient in that it lacks the mechanism to hold the members accountable. Therefore, members need to push the organization in the direction that it can have more enforcement power over its members and independent from external support.

The second way to achieve stability is to seek support from the US. This has been effective for its traditional allies in the region such as Japan, South Korea, Taiwan, and the Philippines. For non-allies, they can get support, like the case of Vietnam since 2000, but they cannot get the degree of support that U.S. allies do. Although alignment with the U.S. can protect smaller states from the influence of China, the fact that the U.S. is an actor outside the region makes the risk of doing so very high. Changes in U.S. preferences may decrease the relative power of Asia Pacific countries. Therefore, when states ally themselves with the US, they have a better leverage against China, but at the same time they have to ensure that they can use it to build their own independent economic and military capabilities.

## **Conclusions**

Quantitative analysis has provided some important insights into the Asia Pacific region and the effects of the Kantian variables on disputes. Most importantly, I have found that not all

RIGOs are created equally; among ASEAN, APEC, and SEATO, ASEAN is the most likely to have a pacifying effect on the region, while joint membership in APEC has made dyads more conflictual, and finally SEATO had no influence on the relations between states in the region. The reason that these different organizations have different impacts on the region is because the scope of their membership and the structure of these organizations differ greatly and in very important ways. Of the three organizations in the study, only ASEAN had a pacifying effect. It is also notable that this effect goes away when China is controlled for. The implication of this result is that China is a destabilizing factor in the region, and the RIGOs of the region have yet to effectively address this. As shown in the game theory models, China's relative economic and military strength has given it the capacity to use force against other states in the region. As the region and its institutions move forward to achieve their goals, all the actors in the region cannot ignore the role of China's dominating economy and military power.

In addition to what we can conclude from the quantitative analyses, game theoretic models give us important insight into the impact of China's aspirations of regional hegemony—and indirectly the United States' protection of regional interests—might limit the pacifying effect of RIGOs. An imbalanced involvement of the U.S. has a pacifying effect on the countries in the region. Contrarily, imbalanced involvement of China makes the interactions between states more conflictual, making the region the arena for contestation for influence between the two powers. For smaller states, the involvement of the U.S. in the region can be considered important in maintaining stability in the region against China's potential dominance. If the U.S. signals a move away from its traditional commitments to its allies such as Japan and South Korea, uncertainty will arise and lead to a miscalculation of payoffs, consequently increasing the likelihood of conflict between Asia Pacific states.

In conclusion, compared to the more successful European Model, the Asia Pacific region still has a long way to go with its integration and development of institutions. Integration in the region has been an aspiration in many states, yet the achievements remain limited. However, this study has not captured fully the capacity of regional attempts to do so. ASEAN+3 is the extension to include China, Japan, and South Korea to further integrate an Asian trade bloc and even an ambitious regional monetary union. Furthermore, I did not include financial institutions such as the Asian Development Bank, which could impact states interactions. Also, I did not fully incorporate other indicators for economic interdependence. Aside from the limitations of the research, looking at Asia Pacific, we are seeing that the region is exhibiting patterns that a complex dynamic has been evolving. Regional Intergovernmental Organizations such as ASEAN have been making attempts to define themselves as the recognized regional institution that ensures the common interests of its members. On the other hand, APEC has shown an unexpected result, which means that member states need to be careful in how joint membership affects their relations. At the same time, involvement of a global power like the United States substantially impacts the stability of the region, especially given their relationship with a rising China. All of these factors have come together to produce a complex region that displays the paradoxical pattern that it does. To further complicate matters, as alliances with an outside actor (the U.S.) may become uncertain, what pacifying effect ASEAN may not be guaranteed and, consequently, nor will the stability of the region in the long run. Therefore, in order to see a sustainable stability, RIGOs need to overcome their limitations to truly take the form of a coherent body with the full commitment from their members.

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## Appendix 1: Countries and year of RIGO membership

<b>Country</b>	<b>ASEAN</b>	<b>APEC</b>	<b>SEATO</b>
Australia		1989	1954
Brunei	1984	1989	
Cambodia	1999		(Under Protection of SEATO)
China		1991	
Indonesia	1967	1989	
Japan		1989	
Laos	1997		(Under Protection of SEATO)
Malaysia	1967	1989	
Myanmar	1997		
North Korea			
Philippines	1967	1989	1954
Singapore	1967	1989	
South Korea		1989	
Taiwan		1991	
Thailand	1967	1989	1954
Vietnam	1995	1998	(South Vietnam was under protection of SEATO)

Appendix 2: Descriptive Table:

Variable	Obs	Mean	Std. Dev.	Min	Max
Highest Hostility	6766	0.29308	1.06769	0	5
APEC	6401	0.2045	0.40337	0	1
ASEAN	6401	0.11404	0.31789	0	1
SEATO	6265	0.70231	0.08352	0	1
Lower Democracy Score	6280	-4.6623	5.33292	-10	10
Lower Dyadic Trade Dependence	3358	1.77E-08	5.37E-08	0	6.11E-07
Cold War	6770	0.61684	0.48619	0	1
Asymmetry of Military Alliances with the US	6766	9.24934	10.6118	0	41
Asymmetry of Military Alliances with China	5879	2.74571	6.65418	0	29
China	6770	0.13161	0.33809	0	1

## Appendix 3: Correlations

	HIGHHOST	DISPWAR	APEC2	ASEAN2	SEATO2	CHN	demL	flowto~l	DependL	percentL	USAlli~m	coldw
HIGHHOST	1.0000											
DISPWAR	0.8639	1.0000										
APEC2	-0.0012	0.0197	1.0000									
ASEAN2	-0.0312	-0.0072	0.0900	1.0000								
SEATO2	-0.0289	-0.0260	-0.1051	0.0410	1.0000							
CHN	0.1547	0.1530	-0.0009	-0.2110	-0.0719	1.0000						
demL	-0.0684	-0.0518	0.3521	0.0140	-0.0338	-0.3701	1.0000					
flowtotal	0.0553	0.1046	0.4020	-0.1554	-0.0624	0.1194	0.1286	1.0000				
DependL	-0.0062	-0.0051	-0.0203	-0.0181	-0.0063	0.0804	-0.0270	0.0244	1.0000			
percentL	-0.0657	-0.0598	0.2639	0.3506	-0.0611	-0.3406	0.1418	-0.0411	-0.0378	1.0000		
USAlliance~m	-0.0317	-0.0012	0.0693	-0.2944	0.1398	-0.2473	0.3609	0.0516	-0.0199	-0.2549	1.0000	
coldw	-0.0109	-0.0135	-0.5990	-0.0903	0.1205	0.0222	-0.2469	-0.2651	0.0252	-0.4003	0.0896	1.0000