

Pacific Rim*

Xiangming Chen

University of Illinois, Chicago, Illinois, USA
and
School of Social Development and Public Policy
Fudan University, Shanghai, China

Keywords

APEC, ASEAN+3, Asia-Pacific, border, China, East Asia, growth triangle, India, Mekong River, Nathu La Pass, nation-state, Pacific Rim, regionalism, Southeast Asia, subnational

Glossary

Formal regionalism: State-led multilateral initiatives for regional economic integration and cooperation through inter-governmental negotiations and signed agreements between two or more sovereign nations.

Informal regionalism: Initiatives of combined local (municipal) state policies and private sector activities for promoting cross-border (sub)regional economic transactions and development, generally without national governments' involvement.

De-bordering: A dynamic and complex process in which the barrier role of borders is shifting to the role of bridges, facilitated more by cross-border economic flows.

Re-bordering: A dynamic and complex process in which the bridging role of borders is shifting back to the role of barriers, brought about more by state action.

Transborder subregion: A relatively large transnational spatial-economic entity consisting of contiguous and/or adjacent subnational and local border areas of multiple countries.

* Draft of an essay prepared for the *International Encyclopedia of Human Geography*, edited by Rob Kitchin and Nigel Thrift. Elsevier (forthcoming).

Abstract

If geographers are better at making sense of small spatial units and dynamics, the Pacific Rim poses a big conceptual and analytical challenge because of its sprawling size and internal relational complexity. Breaking the Pacific Rim into formal regional groups of countries may help overcome this challenge, but it takes away the sharp geographic edge that can cut into and through more layered territorial units as fundamental and dynamic elements of the Pacific Rim. This essay gazes at the Pacific Rim through a bi-focal lens of informal regionalism and de-bordering in order to capture the more widespread and complex spatial processes that help reconfigure the Pacific Rim from below. Under the coupled influence of informal regionalism and de-bordering, a mosaic of transborder subregions has developed along and around the land and sea boundaries enveloping border cities and territories of multiple East, Southeast, and South Asian countries. A cursory look at several transborder subregions as illustrative cases reveals that they feature the economic duality of intra-regional complementarity and conflict, contain deep historical and sociocultural roots, and herald both development opportunities and constraints. It is these combined forces of the informal and de-bordered regional entities that are remaking the Pacific Rim.

Introduction

The Pacific Rim has a general geographic reference to the countries located on, along, and within the physical boundaries of the Pacific Ocean. However, the Pacific Rim is much more than a geographic concept. It denotes a broad and differentiated geographic landscape imbued with multiple and layered political, economic, and cultural dynamics and meanings. As these dynamics unfold over time to yield a temporarily shifting view of the Pacific Rim as a geographic structure, the meanings of the Pacific Rim evolve with it. With rapid and continued economic growth in the main geographic parts of the Pacific Rim—East and Southeast Asia—through the last quarter of the 20th century, the heralding of the 21st century as the “Pacific Century” started to spread globally even against and through the temporarily dampened optimism during the Asian financial crisis of 1997-98. While the 21st century is still young, it provides a temporal vantage point to take stock of the Pacific Rim as a dynamic geographic construct and its associated politico-economic and sociocultural dimensions.

A more conventional geographic treatment of the Pacific Rim is likely to follow the established regional divisions of East Asia, Southeast Asia, South Pacific, and whatever other countries that are not neatly labeled categorically. It may bring in the west coast of the United States, South America, and Australia but may not deal with them in depth and detail. This conventional view would see the Pacific Rim as consisting of several spatial blocks that organize different sets of political and economic relations between countries. The latter are taken as constituent units of these geographic groupings and also constitute the larger set of bilateral relations spanning the entire Pacific Rim. While this approach may look for subnational dimensions and variations of these units and ties, it is premised on a state-centric perspective on the Pacific Rim. The combination of conventional regional divisions and state-centric relational account has its advantages

in that it not only establishes the broad geographic composition of the Pacific Rim but also identifies uneven relations that bind together clearly bounded countries. But this treatment can no longer fully capture the complex realities of the Pacific Rim.

The Pacific Rim today calls for an alternative conceptualization because it differs sharply from the pre-1980 Rim. Over the last quarter century or so, a multitude of economic and geographic forces have unfolded in both convergent and divergent manners across the dual axes of regions and borders, reshaping the Pacific Rim in the process. The regional axis features the complementary and divergent trend of formal regionalism vs. informal regionalism. The axis of borders exhibits the simultaneous processes of de-bordering and re-bordering. As the two axes intersect, they have altered the geographic contour of the Pacific Rim, created new political and economic networks and alliances, and activated old and/or engendered new social and cultural ties and meanings that invoke and may constitute real or imagined regional communities.

Formal Regionalism

Formal or top-down regionalism or regional integration has an obvious powerful impact on the Pacific Rim through strengthening various region-wide or subregional sets of economic and political linkages, while weakening few others by excluding them. Unlike the European Union, which typifies formal regionalism to the tilt, formal regionalism in the Pacific Rim or any Asian context has been weak in terms of producing anything that approaches the EU in form and function. The closest entity approximating Pacific Rim-wide integration is Asia-Pacific Economic Cooperation (APEC), which consists of 21 member economies on both sides of the Pacific Rim. A relatively loose organization, or cooperative process more precisely, APEC holds an annual forum to promote inter-governmental, multilateral initiatives for regional economic integration and cooperation. As this process continues, with improved official economic relations and limited real economic benefits, it has been accompanied by other subregional trade-promotion deals such as AFTA (the Association of Southeast Asian Nations [ASEAN] Free Trade Area) and ASEAN+3 (China, Japan, Korea). The latter has recently entertained a proposal to become “ASEAN+6” by including India, Australia, and New Zealand. With 3.1 billion people, or half of the world’s total population, and one-third of the world’s total GDP, ASEAN+6, if materialized, can truly be the third pole of the world economy vis-à-vis the EU and NAFTA.

To the extent that the large-scale realignment and regrouping of major Asian economies enhances the collective economic strength of the Pacific Rim, primarily its western side or half, it also is producing a more layered and jumbled structure of formal regionalism. To complicate this structure further, the East and Southeast Asian governments have developed specialized mechanisms for cooperating on regional monetary and financial issues. For example, as a response to the Asian financial crisis in 1997-98, ASEAN+3 launched the Finance Minister process called the Economic Review and Policy Dialogue (ERPD), which promotes regional financial cooperation through information exchange, policy discussions, and peer pressure. In May 2005, ASEAN+3 Finance Ministers agreed to strengthen the Chiang Mai Initiative (CMI), introduced in

2000, by increasing bilateral currency swap size and linking CMI to the regional economic surveillance of ERPD. Given its both more general and specialized institutional arrangements, formal Asian regionalism has been characterized by such muddled metaphors as “a patchwork of hubs-and-spokes in a spaghetti or noodle bowl,” with noodles adapted for describing Asia.

Informal Regionalism

While the formal regionalist view on the Pacific Rim sheds a broad light on its politico-economic “moving parts” and reconfiguration, it reveals little about the shifting geography and its implications for seeing other new and distinctive aspects of the Pacific Rim. To balance against the more prevalent formal regionalist perspective, it is time to formally introduce an informal or bottom-up regional lens that can illuminate the forces that impinge on the Pacific Rim from below, with the potential to reshape the bulk of the Rim. Looming clearly from this view is a myriad of established and emerging cities and areas in the geographic core and along the spatial margins of both maritime and mainland Asia that play an increasingly important role in reconfiguring Pacific Asia. Although these localities are connected in a general way not that dissimilar from the “spaghetti bowl” of criss-crossing inter-state trade ties, the subnational and local units are embedded in more extended and tiered spatial and economic networks. More importantly, unlike aggregate trade flows among pairs of national economies, the networks of cities anchor global-local production networks and cross-border trade and tourism of varied scales that involve diverse actors including municipal governments, multinational firms, local entrepreneurs, and border-crossing migrants. These networked cities spread and spill economic and logistic influences into their hinterlands within and beyond national boundaries, creating extended spaces of trans-local or inter-local flows that contribute to the formation of transborder subregions and global or globalizing city-regions (see Fig. 1).

Figure 1 gives us a very different picture of the western or Asia-Pacific portion of the Pacific Rim than provided by formal regionalism. Through this lens, instead of seeing a broad region of totally bounded countries and state territories, we visualize a mosaic of transborder subregions that cut across the multiple and adjacent boundaries of countries. This alternative re-mapping of a conventional map is more than an arbitrary cartographic exercise. It instead is based a very different theoretical premise and methodological orientation.

A formal regionalist analysis would focus on explaining the level of trade integration and benefits for the parties involved, while the typical explanatory variables include national goals, size of regional groupings (number of member countries) and power differentials among them, perceived costs and benefits regarding included vs. excluded trading partners, and extra-regional factors such as global economic influence or superpower interference. Large developmental and power disparities threaten but do not necessarily lead to failure in regional trade integration, as exemplified by rich, globalized Singapore and poor and repressive Myanmar in ASEAN. In addition, selective and targeted protection of certain domestic sectors of countries in existing and attempted trade deals creates barriers to true

openness and integration. Instead of being nation-state-led and formally institutionalized, the units in the informal regionalist frame—transborder subregions and global(izing) city-regions—are driven by a combination of local (municipal) state initiatives and private sector activities such as direct investment by multinational firms. This fundamental difference shifts theoretical analysis from questions and concerns associated with trade and international relations theories to a more complex theoretical challenge that needs to draw analytical assumptions and insights from research on global and secondary cities, global value chains, regional development, and network analysis, as well as on the restructuring and rescaling of the state that favors the rise and developmental behavior of the local state.

De-bordering and Re-bordering

The turning or rotating of the Pacific Rim along and around the formal-informal regional axis or dimension is critical to a geographic reappraisal of where it stands now and may be headed. This cannot be accomplished based on its logic alone, however. The axis intersecting and reinforcing informal regionalism is *de-bordering* and *re-bordering*, which describes a pair of processes in which borders are considered mutating spaces rather than fixed lines. As economic interdependence between Asia-Pacific countries and between them and the global economy widens and deepens, more sections of and points on their borders open to more intensive interactions with the forces and actors of the neighboring countries. While this process represents de-bordering by making borders more porous and more difficult to control, it can prompt central and local state authorities to reassert border control, resulting in re-bordering. When more open borders bring about nasty unintended consequences such as increased cross-border drug trafficking, threat of epidemics, or terrorist activities, states are forced to tighten their borders as a result. Examples include heightened border control in response to 9/11 in 2001 and SARS in 2003.

Despite some re-bordering that features renewed border control, de-bordering appears to be stronger and more widespread at and along many land or sea borders in the Pacific Rim. It is characterized by the shift of borders' role from barrier to bridge, especially across the previously closed and heavily guarded borders. These borders used to function as political barriers that blocked economic and cultural exchanges to differing degrees. They also existed as military frontiers that received heavy defense spending but little economic assistance. As a result, the zones around these borders became marginalized. Due to changes in a variety of conditions, these borders have begun to bridge separate and isolated local and regional economies. The emerging transnational spaces provide new opportunities for global-local links, generating either self-sustaining and/or externally-linked local development.

The bridging role of borders has either unleashed new informal regionalist tendencies or strengthened existing ones. Bridging creates a cooperative space between binational or trinational economies. Broadly viewed, bridging generates economic growth and transactions that can spread beyond the immediate border zones to other parts of the transborder subregions. On the other hand, bridging may turn borders and border zones

into new contested terrains for illegal migration, spillover pollution, and other undesirable outcomes. States may respond to these threats by re-imposing border control, thus moving back toward the barrier role of borders and thus re-bordering again.

Within the Pacific Rim over the last two decades or so, informal regionalism has gained strength because de-bordering has occurred on an increasing scale, while formal regional integration has proceeded apace through a variety of inter-government cooperative mechanisms such as ASEAN+3. Formal regionalism tends to reinforce state-centric interactions and relations, which may lead to more cross-border trade and investment. However, its reliance on formal institutional arrangements and involvement of entire states works differently from informal regionalism, which stems from de-bordering of boundaries connecting contiguous and adjacent local and subnational units and thus exerts a strong and extensive bottom-up pressure on the relational structure of the Pacific Rim. In the second half of this essay, several cases are used to illustrate the coupled force of informal regionalism and de-bordering in reconfiguring the Pacific Rim.

The Various Facets of Informal Regionalism and De-bordering

The first illustrative case is a transborder subregion that consists of Hong Kong, Taiwan, Macau, and China's Guangdong and Fujian provinces, primarily the Pearl River Delta region in Guangdong (labeled the Greater Southeast China Subregion [GSCS] in Fig. 1). New economic linkages across the China--Hong Kong border emerged in 1979 when the establishment of four special economic zones in southeastern China triggered the initial movement of Hong Kong's labor-intensive assembly operations over the border. Taiwanese investors and tourists began to flood Guangdong and Fujian provinces in the 1980s. Two and a half decades later, a massive (re)division of labor between Hong Kong and Taiwan with southern China has been firmly entrenched. By the end of 2005, over 10 million jobs were created by over 60,000 Hong Kong- and Taiwan-invested factories in the Pearl River Delta alone.

The blurring of the Guangdong-Hong Kong border have been intimately linked with the "miraculous" growth of Shenzhen from a tiny fishing town of less than 100,000 bordering Hong Kong to a sprawling industrial city of over 10 million. Shenzhen and Hong Kong have literally grown into each other and formed an extensive cross-border metropolitan region. Today huge flows of people and goods go through several rail and road checkpoints along the Shenzhen-Hong Kong border, and the Luohu crossing point has become China's busiest land port for human traffic. On weekends and holidays, thousands of Hong Kong residents ride the train and then walk through the crossing points to shop, dine, and enjoy entertainment in Shenzhen where these things are much cheaper. This pattern has reversed the flow of money and wealth in the old days when Hong Kong residents would bring over consumer goods such as household electronics and daily necessities to their relatives and friends north of the border. Just as Hong Kong consumers spend money in Shenzhen, the increasingly wealthy residents in Shenzhen actually spend more money in Hong Kong. However, by buying a large number of cheaper homes in Shenzhen as residence or investment, Hong Kong residents have raised the property prices and cost of living in Shenzhen to be among the highest in China now.

The second case is what is generally known as the Greater Mekong Subregion (GMS), which comprises Thailand, Vietnam, Laos, Myanmar (formerly Burma), Cambodia, and China's Yunnan province (see Fig. 1). Given its composition and some inter-government cooperative arrangements, the GMS crosses over the formal-informal divide of regional integration. However, despite growing international trade among the GMS or Mekong countries, border trade has constituted the most visible and significant cross-border economic tie among the key border regions within the GMS. The 1990s and beyond saw the return of Yunnan province's historical crucial role in border trade with its southern neighbors. In the first six months of 2004, Yunnan province handled \$2.5 billion in border trade, a 25.4% rise over the same period of 2003. In the first six months of 2004, Vietnam registered the highest growth rate of 37% among Yunnan's border trading partners (Chen, 2005). Yunnan's six border prefectures, which are geographically contiguous with Vietnam, Laos, and Myanmar, accounted for just about all the provincial border trade. Key Chinese and Myanmar border towns are intensive spots for border trade. The end of Chinese support before the collapse of the Burmese Communist Party in 1989 facilitated the opening of more border trading posts between the two countries. The Myanmar border town of Muse became open for border trade in 1988, while Yunnan's border city of Ruili created the Jiagao Border Economic Development Zone in 1991. Myanmar's border trade with Yunnan not only has enlivened the town of Muse but also has revived cities away from the border.

Border trade across the Mekong countries, however, has been constrained by the lack of physical infrastructure, prompting renewed efforts of the region's national and local governments to improve it. The authorities of Mekong Delta provinces and cities are working hard to perfect the "one-stop" mechanism for administrative procedures in order to meet investors' requirements. They attach priority to road and waterway systems, airports, and ports to facilitate goods transportation. Export processing zones and industrial zones are being built alongside with efforts to develop services in water and power supply, telecom networks, hospitals, and banks. In December 2006, Thailand and Laos opened the second bridge across the Mekong River, which is their common border, linking Mukdaharn province in northeastern Thailand to Laos' southern province Suvannakhet. On January 1, 2007, the governments of Myanmar and Laos began to charge transit fees for cargo boats, mostly Chinese-owned and carrying Chinese agricultural exports to Thailand, using their stretches of the Mekong River. Some environmentalists are alarmed by Chinese projects to improve the navigability of the Mekong River by widening its banks and removing islands and rapids.

The third case illustrates both the complementary and conflicting sides of the transborder region in Southeast Asia known as the Indonesian (Riau) Malaysia (Johor)-Singapore Growth Triangle (IMS-GT) (see Fig. 1). The IMS-GT demonstrates a complementary mix of resources among the three units. In contrast to Singapore's high labor and land (very limited) costs, the Johor state of Malaysia just north of Singapore and Riau islands of Indonesia--20 km away from Singapore by boat--have medium-level and low land and labor costs. Transborder economic complementarity in terms of differential factors of production in the IMS-GT has fostered growing internal links, especially between Singapore and Johor and Singapore and Riau.

Yet the IMS-GT has not been without intra-regional conflict. Following its ban on the export to Singapore of sea sand used for land reclamation in February 2003, Indonesia in January 2007 banned the export of sand, a basic construction material, to Singapore just as the latter's construction sector rebounded on strong demand for high-end apartments and the building of two multi-billion-dollar casino complexes. The Indonesian government worry that massive sand quarrying from Riau islands could lead to the disappearance of small outlying islands, and as the maritime borders erode, Indonesia's territory and exclusive economic zone could also shrink. Indonesia imposed this ban knowing that it could trigger economic dislocation as thousands of local residents depend on sand quarrying for a living.

Finally, new transborder economic space has opened up in South Asia, extending informal regionalist and de-bordering tendencies in the Pacific Rim to its most western edge (see Fig. 1). On July 6, 2006, India and China (re)opened the Nathu La Pass (4,545 meters above sea level) between Tibet and the tiny state of Sikkim in northeastern Indian, 44 years after a brutal frontier war in 1962 shut down the ancient route. Up until now the bulk of trade between China and India transited by sea, and via Tianjin--a port city nearly 4,400 kilometers from Lhasa, which is only 1,200 kilometers by land from Kalkata (Calcutta), a major Indian port city. Thousands of Indian pilgrims used to make the annual 15-day journey to Tibet's Mount Kailash, revered by Hindus as the home of Lord Shiva. With the opening of the border pass, the pilgrimage will be just a two-day drive from Nathu La.

While giant warehouses have been constructed on both sides of the Nathu La Pass for its opening ceremony, trade at China's border mart is currently very small, while Indian exports are slightly higher, both far less than expected. However, truckers on the route expect to earn large annual revenues at present freight rates, even if the traffic volume were as low as 100 trucks a day. China does not impose any restrictions on cross-border trade except for illegal items, and hostels have been built to accommodate Indian traders, but Chinese traders cannot spend the night at the Indian mart. India is concerned about low-price Chinese products flooding the Indian market. Other barriers include the lack of infrastructure (poor roads and communications), banking facilities, container depots, and the need to expand the basket of permitted trade items.

Remaking the Pacific Rim

What would the Pacific Rim look like if its entire western half and far western margin that blends into the Indian Ocean were spatially reconfigured around the eight transborder subregions plus the Greater Shanghai Region (see Fig. 1) instead of the current nation-states? These transborder subregions tempt us to imagine a reconfigured Pacific Rim in which the bulk of the population and territory falls into the boundaries of the transborder subregions. The forces that facilitated the rise of the transborder subregions were embedded in a much earlier history and became more visible and active only recently. Yunnan province, China provided the historical must-go-through pathway on the "Southern Silk Road" for trade with India and Burma dating back to China's Han dynasty. Trade through the Nathu La Pass accounted for the lion's share of total cross-

border trade between China and India in the early 1900s. The disappearance of the geopolitical bipolarity with the end of the Cold War, coupled with a series of resolved border disputes, has activated and augmented these historical economic ties.

While the distinctive geographic position and physical boundaries of the units that make up the transborder subregions are stressed, there are crossover ties and spillover influence between some pairs of these regions. South Korean companies have invested heavily in both the Yanbian region of Jilin province in the Greater Tumen Subregion (GTS) and the coastal region of Shandong province that belongs to the Bohai/Yellow Sea Subregion (BYSS) (see Fig. 1). The major ports of South Korea and Japan have developed close and frequent shipping links to Shanghai. The informal boundaries of the transborder subregions are sufficiently porous to allow cross-border links to extend or spill. Some powerful cities in these transborder subregions—Hong Kong, Taipei, Singapore, and Seoul—serve the different nodal functions for their respective subregional hinterlands. Since most of the local-level units in the transborder subregions are smaller and less influential border cities and towns, other dominant cities can draw multiple links their way, even though they are not located within the boundary of any transborder subregion.

While informal regionalism and de-bordering, which have fostered the transborder subregions, are remaking the Pacific Rim, their interface and relationship with formal regional schemes like APEC remain relatively weak and elusive due to their different logics of organization and operation. If APEC really opposes the idea of an inward-looking trading bloc and instead pursues global free trade, as its leaders have repeatedly emphasized, it would be compatible with the open nature of the transborder subregions. At a lower level, there appears to be some connections and mutual influences between the ASEAN/AFTA and the transborder subregions. To the extent that the Southeast Asian growth triangles are driven by market and private sector dynamics, they are largely consistent with the open- and free-trade orientation of ASEAN/AFTA. Although the geographic overlap between ASEAN+3 and the parts of the transborder subregions in the countries involved is substantial (all constituent units of the GMS are included in ASEAN+3), it remains to be seen if the more formal cooperative activities of ASEAN+3 will be compatible with the informal cross-border trade and investment flows within the transborder subregions.

Finally, from an essential geographic perspective, informal regionalism and de-bordering through the transborder subregions has done more than formal regionalism to alter the basic spatial ground and parameters for rethinking and reimagining the Pacific Rim of the early 21st century, a Pacific Rim that is also moving west to envelope the rising economic power of India. Seeing the Pacific Rim through the dual lens of informal regionalism and de-bordering also brings into clear view the geoeconomic, historical, and sociocultural conditions such as ethnic connections that foster the transborder subregions. This integrated treatment via a broad comparative perspective yields a richer and more nuanced picture of a new Pacific Rim that will continue to evolve and thus challenge our capacity to conceptualize it geographically and otherwise.

Further Reading

- Aikman, D (1986) *Pacific Rim: Area of Change, Area of Opportunity*. Boston: Little, Brown.
- Borthwick, M (1992) *Pacific Century: The Emergence of Modern Pacific Asia*. Boulder, CO: Westview Press.
- Chen, XM (2000) Both glue and lubricant: Transnational ethnic social capital as a source of Asia-Pacific subregionalism. *Policy Sciences* 33: 269-287.
- Chen XM (2005) *As Borders Bend: Transnational Spaces on the Pacific Rim*. Lanham, MD: Rowman & Littlefield.
- Dirlik, A (ed.) (1998) *What Is in a Rim? Critical Perspectives on the Pacific Region Idea*. Lanham, MD: Rowman & Littlefield.
- Linder, SB 1986. *The Pacific Century: Economic and Political Consequences of Asia-Pacific Dynamism*. Stanford, CA: Stanford University Press.
- Pempel, TJ (ed.) (2005) *Remapping East Asia: The Construction of a Region*. Ithaca, NY: Cornell University Press.
- Ravenhill, J (2001) *APEC and the Construction of Pacific Rim Regionalism*. New York: Cambridge University Press.
- Segal, G (1990) *Rethinking the Pacific*. New York: Clarendon Press.
- Sparke, M, Sidaway, JD, Bunnell, B, and Grundy-Warr, C (2004) Triangulating the borderless world: Geographies of power in the Indonesia-Malaysia-Singapore growth triangle. *Transactions of the Institute of British Geographers* 29: 485-498.

Figure 1 The Western Pacific Rim in Transborder Subregions



Source: Adapted from Chen (2005: Map 1.1).