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Overlapping Regionalism in East Asia: A Critical Review on Mega-Free Trade Agreements

Abstract

Despite the existence of region-wide economic networks and the proliferation of regional cooperation processes in the 1990s and 2000s, East Asia is still one of the under-institutionalized regions in the world. In the absence of a single regional organization covering all regional states, the region is fragmented among regional organizations/groups, most of which geographically overlap due to multi-membership. In the literature on regionalism, this phenomenon has been recently conceptualized as “overlapping regionalism,” which has been observed worldwide. Indeed, East Asia constitutes a special example of overlapping regionalism with its current regional setting because of the high number of overlaps under regional organizations, initiatives, and agreements. Yet, the region has not been extensively examined in the emerging literature on overlapping regionalism. This paper aims to discuss overlapping regionalism in East Asia and its effects. It asks two central questions: why do regional states implement regional initiatives that geographically overlap, and how do overlapping regional initiatives affect regional states’ positions in the current setting of regional architecture in East Asia and vice versa? In order to answer these questions, it first proposes an analytical framework to examine overlapping regionalism. Later, it focuses on selected geographically overlapping free trade agreements like Trans-Pacific Partnership (TPP), Regional Comprehensive Economic Partnership (RCEP), Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and Indo-Pacific Economic Framework (IPEF). It evaluates political and economic factors and determinants of the emergence of these overlapping regional initiatives within the East Asian context. East Asia constitutes a distinctive example in terms

of overlapping regional initiatives. It argues that rivalry among the big powers of the region, hedging strategies of middle and small powers, and the loosely-institutionalized structure of the regional governance are the primary reasons behind their emergence.

Keywords: *Overlapping Regionalism, East Asia, Mega-FTAs, RCEP, CPTPP, IPEF*

1. Introduction

Regional cooperation is one of the most complicated issues determining East Asian politics. Since the 1990s, the region has been experiencing a boom in regional cooperation processes of all kinds. Nevertheless, there is no single cooperation framework or regional organization covering the whole region. Instead, the region is fragmented by various regional cooperation attempts overlapping in terms of membership and mandate. Multiple initiatives to form region-wide free trade areas are good examples for this kind of regional landscape fragmentation. This paper aims to discuss the reasons and effects of recently initiated overlapping mega-FTAs through the concept of overlapping regionalism.

Due to the intertwined structure created by FTAs in the region, the region has been a well-known case in the international political economy literature since the 1990s. Most economists describe this situation as the “spaghetti/noodle bowl effect” (Bhagwati, 1995; Dent, 2005; Kawai, 2005; Baldwin, 2008). Despite the promising potential of the region to be economically integrated, they suggest that the existence of multiple regional cooperation attempts in forming regional free trade areas hinders regional integration.

In the literature on International Relations, on the other hand, this situation has been conceptualized recently with the concept of “overlapping regionalism.” Previously, there were various theoretical frameworks examining the relationships between overlapping institutions and their effects on regional settings (see e.g., Young, 1996; Aggrawal, 1998; Alter & Meunier, 2009). However, particularly within the literature on regionalism, which mainly focuses on the dynamics of cooperation among regional states, this specific aspect of regional cooperation processes has recently been conceptualized as “overlapping regionalism” (See e.g., Panke & Stapel, 2018; Nolte, 2014; Haftel & Hofmann, 2019; Malamud, 2018). In a broader sense, overlapping regionalism can be described as the existence of multiple regional initiatives which overlap in terms of

geography and mandate in one single regional landscape due to the multi-membership of regional states to them simultaneously.

Overlapping regionalism is a phenomenon seen all over the world (Panke & Stapel, 2018). However, East Asia is a unique example of it, because of the high number of regional cooperation initiatives with lower intensification towards regional cooperation. Yet, studies evaluating East Asian regionalism with the notion of overlapping regionalism are considerably rare (See e.g., Yeo 2018; Rüländ & Michael, 2019). For this reason, this paper aims to discuss overlapping regionalism in East Asia and its effects on regional politics by combining economic and political dynamics behind it into the picture.

In conjunction with this aim, it is built upon to answer two main research questions. Firstly, it asks why regional states implement regional initiatives that overlap geographically. Secondly, it discusses how overlapping regional initiatives affect regional states' positions in the current setting of regional architecture in East Asia and *vice versa*.

In order to answer these questions, it mainly relies on a case study on the region's mega-free trade agreements (mega-FTAs) established after 2010. Since FTAs are inseparable parts of the East Asian political economy, the literature on FTAs in East Asia is abundant. However, mega-FTAs initiated after 2010, like RCEP, TPP, and CPTPP, are considerably unusual examples because of their size and geo-economical contests triggering them to emerge. It is quite rare to find studies examining all of them as one single case. Also, they have not been examined through the conceptual and analytical framework of overlapping regionalism.

For this reason, this paper focuses on these mega-FTAs as a case study to discuss the causes and effects of overlapping regionalism in East Asia. In that regard, the primary regional initiatives that are examined within the borders of this study are Trans-Pacific Partnership (TPP), Regional Comprehensive Economic Partnership (RCEP), and Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and Indo-Pacific Economic Framework (IPEF). Except for the recently initiated Indo-Pacific Economic Framework (IPEF), the others ended with free trade agreements. IPEF has been added to the analysis with its huge potential to influence regional economic architecture.

The rest of the paper is organized as follows. Firstly, the notion of overlapping regionalism will be explained with its conceptual and theoretical foundations. Secondly, East Asian regionalism will be elaborated on its characteristics and historical development. Thirdly,

examined FTAs and the conditions that they emerged will be summarized. Later, the reasons for the overlaps among these mega-FTAs and the type of regional regime they resulted in will be elaborated. Finally, the paper will end with a conclusion section.

Regarding the geographical delimitation, a quick reminder should be added here. In its most basic definition, with the term East Asia, the paper will refer to the geographical area covering Thailand, Malaysia, Singapore, Philippines, Vietnam, Cambodia, Myanmar, Brunei, Laos, Japan, South Korea, and China. However, reminding that “region” is a fluid concept changing in accordance with dynamics shaping it, the borders may not be stable. Therefore, the geographical delimitation of this study is also flexible in conjunction with the involvement of individual states influencing it. In that regard, despite the abovementioned regional space that would be the focus of this study as “East Asia,” its borders are open to change according to the geographical area examined in regional free trade agreements. Consequently, this list should also count other actors like the United States, India, Australia, and New Zealand.

2. Overlapping Regionalism: From a Conceptual Framework to an Analytical Framework

2.1. History of Regionalism in Brief

In its most basic form, regionalism is a cooperation process in which regional states arrange region-wide arrangements for finding a solution to their mutual problem in one or more policy areas. There could be multiple forms of regionalism, such as security, economic, social, or hybrid, that include multiple forms under one framework.

The target of regionalism is to create a regional setting that promotes further development of regional cooperation among regional states. At the end of the day, as it may bring a deep regional integration under a supranational regional entity, it may also be unable to create a regional setting desired by member states. Yet, whether it brings regional integration or not, each region-wide cooperation attempt creates a regional regime that has the potential to affect and be affected by regional politics.

When the historical development of regionalism is examined, it is mostly accepted as a post-Second World War phenomenon. During the Cold War, regionalism went through its first phase in which regional

integration in Europe started (Mansfield & Milner, 1999). In other parts of the world, the first steps were taken to create regional organizations such as ASEAN and LAFTA. This phase of regionalism in the world had an exclusive understanding of membership because of restricting member states' relationship with non-member states (Lawrence, 1996).

The second phase of regionalism started in the mid-1980s. With the end of the Cold War and the penetration of economic globalization to regions, in this period, the world experienced a proliferation of regional cooperation attempts and the deepening of already existing ones. Unlike the first phase, regionalism lost its exclusive understanding of membership. Regional cooperation processes were designed to coordinate regional states' relationships and connect the region to global economic architecture (Either, 1998; Hettne & Söderbaum, 1999).

The third phase of regionalism is also built upon the dynamics that the second phase of regionalism created. In this period, which roughly started in the mid-2000s, regional cooperation processes gained a porous structure that makes influences of global and regional interferences more visible in shaping regional settings and *vice versa* (Katzenstein, 2005). Also, regionalism turned into a complex phenomenon shaped by interregional and intraregional dynamics (Söderbaum, 2016). At the same time, due to the increasing number of regional frameworks targeting the same policy in one geographical area, most of them started to overlap. At the end of the day, the world's landscape becomes a giant spaghetti bowl of regional cooperation initiatives ranging from security to trade and finance to social.

2.2. *Overlapping Regionalism*

The notion of "overlapping regionalism" emerged in the literature on regionalism in the mid-2010s (Panke & Stapel, 2018; Nolte, 2014; Haftel & Hofmann, 2019; Malamud, 2018; Yeo, 2018). In its most basic form, overlapping regionalism can be described as a form of regionalism in which multiple regional cooperation initiatives intertwine with each other in terms of geography and mandate.

After conceptualizing this worldwide phenomenon, the initial focus of scholars working on overlapping regionalism is to investigate the reasons for the overlaps. As regional states' actions towards cooperation mainly shape regionalism, it is essential to understand states' motives to form multiple overlapping regional initiatives instead of pushing for the

development of only one. As an analytical framework, the scholars mostly rely on the literature on institution formation in International Relations and regime complexes that comes with the existence of multiple regimes in one policy area (Young, 1996; Aggrawal, 1998; Alter & Meunier, 2009; Hoffman, 2011).

Following the ground that they open, primary causes for overlapping regionalism can be summarized as conflicts and rivalries among regional states, bargaining issues, balancing strategies and informal characteristics of the regional landscape, and the need for an institutional framework (Weiffen, Wehner & Nolte 2013; Yeo, 2018; Nolte, 2014; Malamud, 2018). In other words, overlapping regionalism is a byproduct of not only state-to-state relations but also the institutional architecture of the regional landscape. Therefore, while discussing the reasons for the overlapping mega-FTAs in East Asia, all these dimensions should be taken into consideration. This perspective will help us in the forthcoming pages of the paper while questioning why regional states form them and how their attitude affects regional settings and *vice versa*.

3. East Asian Regionalism

3.1. *A Brief History of East Asian Regionalism*

In its most fundamental way, *region* can be defined as a geographical area hosting two or more states bound together with mutual interdependence. Yet, *region* is not something given. Rather, it is a construct that is shaped by multiple political, economic, and social processes. Therefore, in order to discuss a region's current condition, it is necessary to consider the historical route it has taken so far. In that vein, East Asia is not an exception. The historical development of regionalism in East Asia can be discussed by dividing three main periods.

The first period was the Cold War period. In this period, the first signs of comprehensive regional cooperation frameworks emerged. The initial steps towards forming regional organizations such as the Association of the South East Asian Nations (ASEAN) and the Southeast Asia Treaty Organization (SEATO) were taken in this period. However, in this period, these initiatives remained limited due to security-related concerns of regional states associated with the tension of the Cold War and the interstate rivalry among newly independent states of the region (Pomfret, 2011, p. 4).

The second period was between the mid-1980s and the early 2000s. Compared to the previous period, this period brought radical changes to East Asia. In this period, while new regional cooperation frameworks such as APEC, ASEAN+3, and East Asian Summit were formed, already existing ones like ASEAN were renewed with respect to many aspects for deeper regional integration. In this period, the motives behind the boom of regional cooperation frameworks were associated with the end of the Cold War uncertainty, increasing economic interdependence among regional economies due to economic globalization, and regional states' desire to push Asia-only regional initiatives (Buckley, 2011, p. 289; Yeo, 2018, p. 164).

The last and current phase of regionalism in East Asia covers the period after the 2010s and today. This period is not as radical as the previous period in changing the dynamics of regionalism in the region. Instead, in this period, the pace of regional cooperation boost has decreased due to increasing tension among big powers like the USA, China, and Japan and the penetration of the multipolar world order to the region. Especially with the escalation of the trade war between the USA and China and China's one-sided region-targeted initiative of the Belt and Road Initiative, a regionalist narrative of the 1990s was replaced by the balance of power strategies (Yeo, 2020).

Yet, this did not totally end regional cooperation initiatives like free trade agreements. On the contrary, it paved the way for the emergence of mega-free trade agreements, which is the main focus of this paper. Most of these critical initiatives of the region were negotiated and concluded in this period. These are very important for the future economic regionalism of East Asia. The real puzzle that these mega-FTAs brought to the picture is how they could be possible under the pressure of increasing regional geo-economical and geopolitical tension. The forthcoming pages will provide a more concrete answer to this question. However, here, it should be stated that the mega-FTAs of East Asia need to be thought of in conjunction with this new phase of East Asian regionalism.

3.2. Characteristics of East Asian Regionalism

Since *region* is accepted as a construct shaped by various dynamics, each region has its own characteristics shaping the experience of regionalism. For East Asia, particularly in conjunction with the notion of overlapping regionalism, three key characteristics, all of which intersect with each other, can be listed.

The first key characteristic of East Asian regionalism is its loosely-institutionalized structure. Despite hosting different sorts of regional cooperation processes, East Asia does not have a formal institutional structure leading all regional cooperation processes. Consequently, since boundaries between member and non-member states are not clearly defined, the region becomes a playground for open interactions of multiple actors (Yeo, 2010; Katzenstein, 2019, p. 225). One of the immediate effects of this loosely-institutionalized structure is the fact that regional states are more active in shaping cooperation processes. As a result, while examining a regional cooperation process, it is crucial to consider how and why regional states, including big, middle, and small powers, position themselves within broader regional settings in accordance with their foreign policy priorities.

Secondly, East Asian regionalism is mainly market-driven regionalism. Since the 1980s, with the influence of economic liberalization in regional and world trade, the region has become a huge production center bound together with increasing transition of production factors. Inevitably, together with the influence of economic globalization, increasing economic interdependence among regional economies creates pressure on regional states to cooperate. In that regard, East Asian regionalism is shaped mainly by bottom-up pressure of region-wide economic interdependence rather than being a process promoted by states as a top-down pressure.

Lastly, as it constitutes the focal point of this study, East Asian regionalism is characterized by multiple overlaps among regional organizations/initiatives/agreements with respect to geography and mandate. In the region, the institutional overlap rate is considerably higher than in other regions (Yeo, 2018, p. 162). The primary reason for geographical overlaps is regional states' attitudes to simultaneously becoming members of different regional initiatives. Yet, the real puzzle emerges when we discuss the motives pushing states to be a party to different regional initiatives and forming regional initiatives that are almost similar in terms of the mandate. In the forthcoming pages, this paper will elaborate on this puzzle by focusing on recently initiated mega-FTAs in the region.

4. Mega-Free Trade Agreements in East Asia

Today, while the multipolar world order of international relations is defined around regional poles, East Asia has become one of them. Indeed, East Asia is now a hot spot with its increasing economic significance at

the global level and political tension at the regional level simultaneously. Nevertheless, while the geo-economical and geopolitical tension has been escalating, the region is also hosting region-wide free trade agreements and some regional initiatives with the potential to turn into free trade agreements. TPP, RCEP, CPTPP, and IPEF are four of these crucial cooperation initiatives. However, they are noticeably different from their previous samples with the vast landmass and the economic size they attributed. At the same time, mega-FTAs involve one or more big powers in their structure (Kolsky-Lewis, 2015, p. 11). Because of their economic and geographical size and big powers' involvement, mega-FTAs are seen as a new game changer in international political and economic architecture.

When this kind of free trade agreement first emerged, the literature started to discuss the potential of mega-FTAs to overcome the proliferation of FTAs by refreshing old agreements and formulating new regional trade governance (Baldwin, 2012; Schwab & Bhatia, 2014; Rensmann, 2017). In East Asia, on the other hand, instead of reorganizing the so-called "noodle bowl structure," they also started to overlap in terms of mandate and geographical scope. Under this title, the conditions in which these crucial cooperation initiatives emerge and their current status will be discussed.

4.1. From Trans-Pacific Partnership (TPP) to Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

Trans-Pacific Partnership (TPP) was an initiative to form an FTA among Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam, and the United States. It was officially signed in 2016.

Originally, the idea of creating TPP was pushed by Pacific Four (P4) countries (Chile, New Zealand, Singapore, and Brunei) to liberalize trade across Pacific Rim. Yet, there had already been ideas to create a "pan-Asia-Pacific trade agreement" since the 1960s, but it could only find a place in 2008 thanks to the USA's intention to become more active in Asia-Pacific (Aggarwal, 2016, p. 1008). In its broader structure, TPP was designed as a wide-ranging comprehensive trade agreement that targets multiple economic sectors, including manufacturing, service, and agricultural facilities.

Despite its promising content, the TPP could not enter into force because the USAs' withdrew from the agreement after Donald Trump's election. Later on, other signatories of the agreement revived the agreement

under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) in 2018 and entered into force in a very short time. Most of the chapters agreed on in the previous version remained unchanged in CPTP. In that regard, the difference between CPTPP and TPP may not be considerable in terms of the mandate. However, it should be underlined that whereas the USA's mainly led the TPP, Japan played an active role in the revival process of CPTP.

4.2. Regional Comprehensive Economic Partnership (RCEP)

RCEP is an initiative that ended with a free trade agreement bringing Australia, Brunei, Cambodia, China, Indonesia, Japan, South Korea, Laos, Malaysia, Myanmar, New Zealand, the Philippines, Singapore, Thailand, and Vietnam together. As Aggarwal (2016, p. 1009) pointed out, the original plan of creating a free trade area among these countries can be traced back to the early 2000s when it was proposed to create a trade area among ASEAN and its six dialogue partners (Australia, China, India, Japan, South Korea, and New Zealand). While discussions to draft an agreement started in 2011, it was eventually signed in 2020 and entered into force in 2022.

RCEP emerged as a compressive FTA covering a vast geographical area with a promising scope. Also, since it appeared at the same time while negotiations of TPP and CPTPP were continuing, it has been compared and contrasted with them in many different aspects (See e.g. Oba, 2016; Hamanaka, 2014). However, rather than its content, RCEP has two main aspects differentiating it from TP. First of all, it is closely associated with ASEAN's centrality in driving the process (Mueller, 2019). Although China's positive attitude towards it is quite effective in making RCEP enter into the force, ASEAN and, consequently, middle and small powers of Southeast Asia have a voice in RCEP. Secondly, RCEP is a regional initiative to which the USA and India are not parties. Actually, in its original plan, India was part of the negotiation process. However, as of 2019, India opted out of RCEP due to concerns about the harmful effect on the domestic economy and India's foreign trade (Gupta & Ganguly, 2020).

4.3. Indo-Pacific Economic Framework (IPEF)

The last regional initiative we can assess in conjunction with East Asian economic regionalism is Indo-Pacific Economic Framework (IPEF). It is one of the recent initiatives, and it is not an FTA like the previous ones. Instead, it is

a framework targeting deeper economic cooperation and collaboration among the United States, Australia, Brunei Darussalam, India, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, and Vietnam. It was officially declared in May 2022 with an emphasis on launching negotiations in pillars of trade, supply chain, infrastructure development, and anti-corruption (White House, 2022).

At present, IPEF is not a trade area agreement as opposed to the previous three. Nonetheless, since it is declared that the framework aims “to build high-standard, inclusive, free, and fair trade commitments,” it may turn into an FTA or pave the way for forming an alternative FTA to other regional mega-FTAs. Considering its potential, it is better to evaluate it in the broader regional setting created by RCEP, TPP, and CPTP.

Other than that, within the general structure of the mega-FTAs, IPEF has significance with its member states, particularly the USA and India. Considering the fact that the USA withdrew from TPP and consequently CPTPP and was excluded from RCEP, IPEF formed under the USA's leadership can function as a tool for Joe Biden to continue his policies towards East Asia. Also, considering India's opting out of RCEP, IPEF can function to open new ground for India to engage in the middle powers of East Asia.

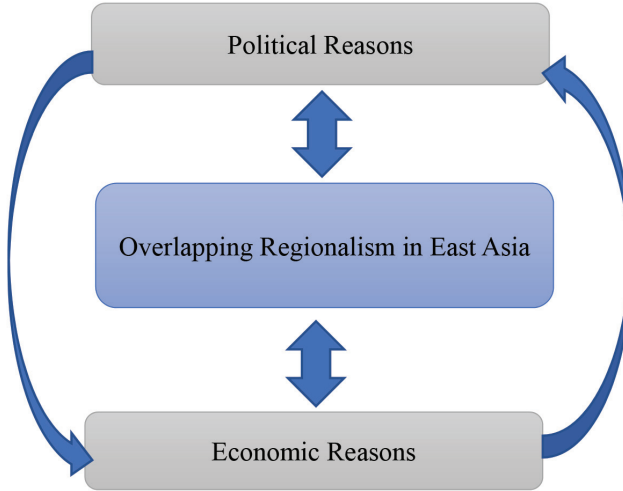
In this current setting, neither of the abovementioned trade agreements (and/or economic cooperation frameworks) can function as an umbrella framework to cover all regional economies. Indeed, they create a situation where each of them overlaps in terms of both membership and aim. In addition to overlapping with each other, they also overlap with other bilateral and multilateral free trade agreements like AFTA and ASEAN+. However, they are unique because of their size and scope. Therefore, instead of assessing their effects on regional settings individually, this paper suggests evaluating them together within the broader regional regime complex they created. As part of this evaluation, it firstly questions the reasons for the overlaps, and secondly, it discusses outcomes that the overlap brings to the region. The following subtitles are dedicated to answering these questions.

5. Reasons for the Overlap of Mega-FTAs in East Asia

In general, as reasons for the overlap, it is possible to point out numerous factors. However, under this title, all these factors will be elaborated by clustering them as economic and political reasons. However, here, it should

be underlined that both economic and political reasons are in simultaneous interactions that push for overlapping regionalism in East Asia and trigger each other. The interaction among these factors is depicted in Figure 1.

Figure 1. Drivers of Overlapping Regionalism in East Asia



Source: own elaboration.

As stated before, East Asian regionalism is mainly a market-driven regionalism. Hence, economic interdependence among regional economies and the penetration of economic globalization into the region are economy-related factors pushing regional states to cooperate. However, economy-related factors could not be the only reason for the overlaps. Indeed, economy-related factors pressure the regional states to open new grounds to promote *de facto* economic integration in the region.

Rather, factors that might be clustered under the title of “political reasons” create the basis for the overlaps. In the literature, the tendency is to explain the political root causes of this kind of overlap with states’ behavior (See e.g. Weiffen, Wehner & Nolte 2013; Yeo, 2018). Nevertheless, this paper approaches “political reasons” for the overlaps from a broader perspective by bringing multiple dimensions into one single ground. In that regard, it claims that rivalry among the big powers of the region, hedging strategies of small and middle powers, and loosely-institutionalized structure of regional governance are three important political factors for overlapping regionalism.

First, rivalry among the region’s big powers is the root cause of overlapping regionalism. In that regard, the rivalry among China, the United States,

Japan, and India needs to be emphasized. As defined by Kai He (2019), the East Asian regional order is an example of “contested multilateralism 2.0,” in which states use multilateral initiatives as a means of a contest. In that regard, big regional powers apply institutional balancing strategies to balance each other. In that regard, they may create a regional initiative to ensure their dominance by preventing other big power/big powers from becoming a member. We can mention the USA’s initiative to form TPP, which excludes China, as an example of it. Also, Japan’s take-over to the leadership of CPTPP after the withdrawal of the USA can be considered a Japanese maneuver in that respect. Similarly, India’s and the USA’s involvement in IPEF, excluding China, can be regarded as their mutual attitude to balance China’s influence.

As part of institutional balancing strategies, big powers may also choose to become a member of a regional initiative in order to prevent their counterpart would dominate it in the long run. In that regard, Japan and China’s mutual involvement in RCEP can be considered an example of this kind of attitude. By doing so, they not only exclude the USA from RCEP but also balance each other’s influence in it. In both ways, the region’s great powers aim to use mega-FTAs as multilateral institutional tools to balance each other’s impact.

As Penghong Cai (2016, p. 1025) indicated, while TPP emerged as part of Obama’s “pivot the Asia” strategy, China’s strategy towards mega-FTAs has become an inseparable part of China’s foreign policy since then. Therefore, it is unsurprising that mega-FTAs became a new ground for tension between the USA and China. In that regard, the USA’s maneuver to return the region with IPEF in collaboration with India, China’s positive support to RCEP, and Japan’s desire to lead CPTPP can be considered as a maneuver of these big powers of the region to use mega-FTAs as tools for institutional balancing.

Nevertheless, rivalry among regional big powers can only be one side of the coin. On the other side, the behavior of small and middle powers is also equally important. While the rivalry among big powers intensifies, small and middle powers apply institutional hedging strategies. By applying an institutional hedging strategy, small and middle states avoid taking a clear side in a condition of rivalry (Ciorciari & Haacke, 2019, p. 368). In that regard, they would have two main options. Firstly, they may form an alternative regional initiative in which they ensure their place in the driver’s seat. Secondly, they may simultaneously become members of multiple regional initiatives dominated or formed by two or more big powers. While evaluating the behavior of ASEAN and other middle

powers of the region like South Korea, Australia, and New Zealand, the so-called “institutional hedging strategy” is very expletory. For instance, among these mega-FTAs, RCEP, with its clear support from ASEAN members, can be given as an example for it. As Kazushi Shimizu (2021) claims, with its similar aims to ASEAN Economic Community, RCEP does not only support East Asian economic integration but also ensures ASEAN’s centrality in broader economic regional integration. Similarly, the rationale behind states like Australia, New Zealand, and Singapore choosing to be part of CPTPP and IPEF along with the RCEP is also related to institutional hedging strategies.

As Seungjoo Lee (2016, p. 1061) claims, in East Asia, regional states tend to apply soft balancing strategies, including ad hoc cooperation initiatives in regional institutions. Consequently, big and middle powers of the region inevitably use mega-FTAs as a tool for soft balancing. Yet, one critical aspect of East Asian regionalism makes this kind of maneuver of regional states possible. This is the loosely-institutionalized structure of regional governance. It can be counted as the third reason for overlapping regionalism in East Asia. As Andrew Yeo (2018, p. 170) claims, the weak institutional structure of regional governance of East Asia results in a kind of “informality.” Consequently, “informality” that loosely institutional structure and the absence of one single regional organization that would shape region-wide cooperation processes, regional states find a ground to play their institutional balancing and hedging strategies freely. India’s withdrawal from RCEP and the USA’s withdrawal from TPP can be an example of this situation. Thanks to this weakly-institutionalized type of regionalism, they can find room for themselves to engage easily or opt-out of any regional arrangement that may not fit their interest.

In brief, overlapping regionalism is a byproduct of multiple factors, including the demand coming from the market, regional states’ attitudes to balance each other through forming new institutions, and the weak institutional landscape of regional governance. Each of these factors pushes the other to emerge in a vicious cycle. Therefore, in order to understand the reasons for the overlaps among the abovementioned mega-FTAs, East Asia’s geo-economical and geopolitical structure needs to be evaluated together.

In other words, overlapping regionalism can be both cause and effect of the tension among regional states. While they may emerge out of the geo-economical and geopolitical tension, they also create new grounds for future conflict among regional states. As a result, instead of calming

down the tension by stimulating a cooperative environment, they have the potential to bring new tension points to the region. To put it in other words, the more there is geo-economical and geopolitical tension, the more overlapping initiatives would potentially emerge. It is a paradox for the future of these initiatives and East Asian regionalism in general.

Other than that, it should be underlined that every agreement mentioned above mainly targets liberalizing region-wide trade in goods and services and facilitating the easy flow of investment. Indeed, as they are examined in terms of content, it is seen that there is no clear-cut norm conflict in terms of policy mandates since they are almost identical to each other in many respects (Crivelli & Inema, 2022). It should be reminded that every agreement comes with its own regime. Therefore, the existence of multiple regimes in one policy area might eventually result in regime complexes that refer simultaneous existence and interaction of multiple regimes in the same policy area. So, the problem would potentially emerge when deciding which agreement will be applied in case of a clash. In brief, considering the fact that overlapping regionalism in East Asia was born out of rivalries among regional states, the regime complex that these mega-FTAs have the potential to turn into a conflictive structure.

6. Conclusion

With its increasing significance in world politics and economics, today, East Asia is one of the significant regions of global politics. As a consequence of increasing geo-economical and geopolitical tension in the region, it brings new puzzles to international politics. Recently initiated mega-FTAs are new dimensions of this complicated structure of the region. In addition to being unique in many respects, they are also complicated because of overlaps among them in terms of both membership and mandate. This paper aimed to examine them through the conceptual framework of overlapping regionalism briefly.

By examining the process in which mega-regionals like TPP, CPTPP, RCEP, and IPEF emerged, it was found that rivalry among big powers of the region, hedging strategies of middle and small powers of the region, and loosely-institutionalized structure of the regional governance are the primary reasons behind the emergence of them. In other words, they are mainly byproducts of increasing tension between regional states that apply institutional balancing and hedging strategies. Hence, the picture is

more complicated about the fate of these region-wide initiatives because the more there is geo-economical and geopolitical tension, the more overlapping initiatives would potentially emerge in the long run.

Studies pointing out the effects of rivalry in East Asian politics are abundant. However, in this study, the new mega-regionals of the region were examined through the lenses of overlapping regionalism by bringing them into one single pot. It is evident that overlapping regionalism is a fruitful concept for understanding East Asian FTAs. Also, East Asia can potentially contribute to the development of the analytical framework of overlapping regionalism, which is a new conceptual invention.

Yet, there are still some unexamined aspects within the scope of this paper. For instance, this study does not examine the contents of these agreements and the economic impacts they will have on the regional economy. Since it focuses on regional states' position, it does not provide any explanation regarding overlaps in the mandate of these mega-FTAs. Therefore, the ground is still open for further studies, which will examine this aspect of overlapping regionalism in East Asia. In that manner, this study can be considered a modest contribution to the development of the literature on mega-FTAs in East Asia, along with the literature on overlapping regionalism.

Endnote:

The conceptual and analytical framework of this chapter is based on the author's doctoral thesis at Kadir Has University, Turkey.

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