

Chapter V: Informal Networks as a Conflict Preventive Mechanism

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Informal networks will for the purpose of this article be defined as social networks of individuals and/or collectives without formal structures, linked together by one or more social relationships, such as kinship and friendship. Informal networks, as a form of informal cooperation and institution, have played and still play, a vital role in both the economic and political sphere, where informal connections, contacts, agreements and mutual understanding are of foremost importance. Potential conflicts are, for example, more likely to be prevented and ongoing conflicts easier to manage, if people on the two sides have some form of connection and understanding of each other - something that informal networks provide.

Informal networks are especially important in Northeast Asia, which is a region of paradoxes.¹ On the one hand, there is a lack of institutionalization in the region. On the other hand, interregional trade and business exchange is well developed.² The political as well as the business interaction works on an ad hoc basis, and there are no mechanisms for effective formal conflict management, prevention, and resolution in the region.³ At the same time, there are no open conflicts⁴ albeit high and rapidly increasing military

¹ In this chapter, Northeast Asia is defined as the two Koreas, Japan, Mainland China and Taiwan, plus the South China Sea.

² Mark Fruin, "Prospects for Economic Cooperation in the Asia-Pacific Region", *Asian Survey* 35, 9 (1995); Mark Fruin, ed., *Networks, Markets and the Pacific Rim: Studies in Strategy* (Oxford: Oxford University Press, 1998).

³ Niklas Swanström, *Regional Cooperation and Conflict Management: Lessons from the Pacific Rim* (Uppsala: Department of Peace and Conflict Research, Uppsala University, 2002).

⁴ Margareta Sollenberg, ed., *States in Armed Conflict 2000 Report No 60* (Uppsala: Department of Peace and Conflict Research, Uppsala University, 2001); Niklas Swanström, *Conflict*

spending ⁵ and a high level of intra-regional distrust ⁶. Research has shown that this, at least partially, can be attributed to the impact of informal conflict management and prevention mechanisms within formal regional cooperation, but no studies have been done focusing either on informal mechanisms as such, or on informal regional cooperation and institutions.⁷ The existing work has focused on mediation and negotiation ⁸ or the cultural aspects in the handling of conflicts⁹. However, no theoretical study has been done either mapping the possible informal conflict prevention mechanism(s), or trying to either explain what the informal mechanism looks like or could be assumed to look like, either towards the successful but non-institutionalized economy, the lack of open conflicts, or the informal networks themselves.

Some work has also been done within the field of security studies, especially by Peter Katzenstein, J.J. Suh and Allen Carlson. These scholars have addressed the impact of cultural norms and networks of power on national

Management and Negotiations in the South China Sea: The ASEAN Way? (Oslo: Centre for Development and Environment, University of Oslo, 1999).

⁵ Elisabeth Sköns, Evamaria Loose-Weintraub, Wuyi Omitoogun, and Petter Stålenheim, "Military expenditure" in *SIPRI Yearbook 2002. Armaments, Disarmament and International Security* (Oxford: Oxford University Press, 2002).

⁶ Deng Young, "The Asianization of East Asian Security and the United States' Role", *East Asia: An International Quarterly* Autumn (1998); Niklas Swanström, *Foreign Devils, Dictatorship, or Institutional Control: China's Foreign Policy towards Southeast Asia* (Uppsala: Department of Peace and Conflict Research, Uppsala University, 2001).

⁷ Niklas Swanström, *Regional Cooperation and Conflict Management: Lessons from the Pacific Rim* (Uppsala: Department of Peace and Conflict Research, 2001).

⁸ Raymond Cohen, *Negotiating across cultures: international communication in an interdependent world*, 2nd ed., (Washington, D.C.: United States Institute of Peace Press, 1997); Guy Olivier Faure and Jeffrey Z. Rubin, eds., *Culture and Negotiation* (Newbury Park: Sage, 1993); Glenn Fisher, *International Negotiation: A Cross-Cultural Perspective* (Yarmouth, ME.: Intercultural Press, 1980); John L. Graham, "The Japanese Negotiation Style: Characteristics of a Distinct Approach", *Negotiation Journal* (1993); J.W. Salacuse, "Ten Ways That Culture Affects Negotiating Style: Some Survey Results.", *Negotiation Journal* July (1998): 221-240; William I. Zartman, "A Skeptic's View" in *Culture and Negotiation*, eds., G.O. Faure and J.Z. Rubin (Newbury Park: Sage, 1993), 17-21; J.W. Breslin, "Breaking Away from Subtle Biases" in *Negotiation Theory and Practice*, eds. J.W. Breslin and J.Z. Rubin (Cambridge: PON Books, 1991), 247-250; Kenneth Stein and Samuel Lewis, "Mediation in the Middle East" in *Managing Global Chaos*, eds., Crocker and Hampson (USIP Press, 1996), 463-773; Tony Fang, *Chinese Business Negotiating Style* (London: SAGE, 1999).

⁹ Leung Kwok and Dean Tjosvold, *Conflict Management in the Asia Pacific: Assumptions and Approaches in Diverse Cultures*, (Singapore: John Wiley & Sons, 1998).

and regional security¹⁰, but they have not addressed informal networks as such or their impact on conflict prevention. Research has also been done on “new regionalism”, which accepts the existence of informal mechanisms, but this research has not addressed informal networks as such nor directly addressed conflict prevention.¹¹ Also international political economists have addressed the issue of informal networks, but their studies have not paid attention to the possible impact informal networks can have on conflict prevention.¹²

The author believes that some form of mechanism exists, and this chapter will be a first step filling the gap in existing knowledge. This chapter will first look into previous research on informal networks and theoretically examine what the term refers to. It will also examine the concept of conflict prevention and the idea of Asian characteristics. I will then explore if and how informal networks can have a potential impact on conflict preventive mechanisms, or function as such mechanism by themselves. Finally, I will look into their possible potential as part of a "Northeast Asian Way" of conflict prevention.

Informal Networks

Informal networks will, for the purpose of this chapter, be defined as social networks of individuals and/or collectives without formal structures.¹³ It should be noted that these networks often are institutionalized through

¹⁰ Peter Katzenstein, *The Culture of National Security: Norms and Identity in World Politics* (New York, N.Y.: Columbia University Press, 1996); Peter Katzenstein and Takashi Shiraishi, eds., *Network Power: Japan and Asia* (Ithaca, N.Y.: Cornell University Press, 1997); Peter Katzenstein, J.J. Suh and Allen Carlson, eds., *Rethinking Security in East Asia: Identity, Power, and Efficiency* (Stanford: Stanford University Press, 1997).

¹¹ Björn Hettne, Andras Inotai and Osvaldo Sunkel eds., *Studies in the New Regionalism*. A five-volume mini-series published by Palgrave Macmillan (1999-2001); Fredrik Söderbaum and Timothy M. Shaw, eds., *Theories of New Regionalism* (Basingstoke: Palgrave, 2003).

¹² Richard Stubbs and Geoffrey R.D Underhill, eds., *Political Economy and the Changing Global Order* (Oxford: Oxford University Press, 2000).

¹³ I have chosen to use the term informal network rather than informal institutions to avoid the scholarly debate on the definition of institutions – a concept where there is an array of definitions among scholars from different fields of the social sciences and humanities. Furthermore, the term informal network is more suitable for the focus of this chapter since only institutions consisting of individuals and/or other forms of collectives are included in this analysis. This said, informal networks are also a concept that lacks a commonly accepted definition.

deeply embedded patterns of social practices and norms, though no formal (written) structure of the network exists. These structures are linked together by one or more social relationships, such as kinship and friendship. In most cases, the members of these networks have some form of mutual interests. There are numerous forms of informal networks, ranging from larger networks such as the bamboo network, the chaebols, and the keiretsus, to other forms of informal inter-personal and/or family based networks.¹⁴

It is the formal (written) structure that separates informal networks from formal ones. However, informal networks need not be totally separated from formal networks, cooperation organizations and structures. Rather, they can, and do, exist within formal structures such as international and regional organizations. Two good examples of formal structures in which informal networks and institutions exist are the Asian Regional Forum (ARF) and ASEAN+3, where cooperation and interaction on an informal level is essential. Formal cooperation, as within ARF and ASEAN+3, also offer an opportunity to create and deepen networks, create trust and build long term relationships between individuals from the different member states.

Previous research on informal networks in Northeast Asia has, at large, been empirically focused. The overall aim has often been to provide business advice to foreigners wanting to invest in the region.¹⁵ Research has, for example, been done on the Asian financial crisis at the end of the 1990s. In

¹⁴ Although the *chaebols* often are rather formal business organizations, they are also largely dependent on long term relationships, trust, understanding and similar forms of informal linkages between individuals.

¹⁵ Andersen Consulting, *Beyond the Bamboo Network: Successful Strategies for Change in Asia* (London: Economist Intelligence Unit, 2000); Michael L. Gerlach, *Alliance Capitalism: The Social Organization of Japanese Business* (Berkeley: University of California Press, 1992); Eun Mee Kim, *Big Business, Strong State: Collusion and Conflict in South Korean Development, 1960-1990* (Albany: State University of New York Press, 1997); Yeon-ho Lee, *The State, Society, and Big Business in South Korea* (London: Routledge, 1997); Dennis L. McNamara, ed., *Corporatism and Korean Capitalism* (London: Routledge, 1999); Richard M. Steers, *Made in Korea: Chung Ju Yung and the Rise of Hyundai* (London: Routledge, 1999); Murray L. Weidenbaum and Samuel Hughes, *The Bamboo Network: How Expatriate Chinese Entrepreneurs are Creating a New Economic Superpower in Asia* (New York: Free Press, 1996); Henry Wai-chung Yeung, *Transnational Corporations and Business Networks: Hong Kong Firms in the ASEAN Region* (London: Routledge, 1998).

this regard, the role of informal networks in the region is still being debated. The proponents of informal networks argue that they have proved to be beneficial to the Asian economy whereas the opponents argue that it was in fact the Asian lack of institutionalization that caused the downfall. The opposite side argues that in fact the lack of mechanisms, informal or formal increases transactions costs and political costs thereby causing or at least being an important underlining factor of the crisis - if preventive mechanisms would have been in place it might have been possible to avoid the downfall. The empirical focus of these discussions is limited to the networks' possible impact on the Asian financial crisis.

On a more general level, Robert Putnam has also addressed informal networks, but his focus has been on democracy, civil society, and Western networks.¹⁶ His theories cannot easily be applied to the informal networks in Northeast Asia, at least not to the forms of networks included in this chapter. There are also theoretical writings on the cultural and philosophical aspects of informality and the family in the Northeast Asian region, but these do not address the practical implications of the theoretical findings.¹⁷ There are also studies about social movements, which can also be defined as a kind of informal networks/institutions.¹⁸

¹⁶ Robert D. Putnam, *Making Democracy Work: Civic Traditions in Modern Italy* (Princeton, N.J.: Princeton University Press, 1993); Robert D. Putnam, *Bowling Alone: The Collapse and Revival of American Community* (New York: Simon & Schuster, 2000).

¹⁷ Robert E. Allinson, ed., *Understanding the Chinese Mind: The Philosophical Roots* (Oxford: Oxford University Press, 1991); Wing-tsit Chan, ed., *Chu Hsi and Neo-Confucianism* (Honolulu: University of Hawaii Press, 1986); Thomé H. Fang, *The Chinese View of Life: The Philosophy of Comprehensive Harmony* (Taipei: Linking, 1980); Charles A. Moore, ed., *The Chinese Mind: Essentials of Chinese Philosophy and Culture* (Honolulu: University of Hawaii Press, 1967); Harry C. Triandis, *Culture and Social Behaviour* (New York: McGraw-Hill, 1994); Harry C. Triandis, *Individualism & Collectivism* (Boulder, Colo.: Westview Press, 1995).

¹⁸ Joseph Gusfield, 1981. "Social Movements and Social Change: Perspectives of Linearity and Fluidity". in *Research in Social Movements, Conflict and Change vol. 4*, ed. L. Kriesberg (Greenwich: JAI Press, 1981); Margaret E. Keck and Kathryn Sikkink, *Activists Beyond Borders: Advocacy Networks in International Politics* (Ithaca, N.Y.: Cornell University Press, 1998); Pamela Oliver, "Bringing the Crowd Back In: The Nonorganizational Elements of Social Movements" in *Research in Social Movements, Conflict and Change vol. 11*, ed., L. Kriesberg (Greenwich: JAI Press, 1989); Ashok Swain, *Social Networks & Social Movements: Are Northern Tools Useful to Evaluate Southern Protests?* Uppsala Peace Research Papers No. 4 (Uppsala: Department of Peace and Conflict Research, Uppsala University, 2002); Mikael Weissmann, *Bridging a Divide - The Creation of a Third Path for Conflict Resolution* (Uppsala: Department of Peace and Conflict Research, Uppsala University, 2002).

Conflict Prevention

Conflict prevention is a general term for methods and mechanisms used to avoid, minimize, and/or manage potential conflicts before they have developed into active conflicts.¹⁹ Today, the writings on conflict prevention are extensive and there is a lack of consensus on the definition of the term.²⁰ Conflict prevention is often divided into two categories: direct and structural prevention.²¹ Direct prevention refers to mainly short term actions taken to prevent the often imminent escalation of a potential conflict, while structural prevention focuses on more long term measures that address the underlying causes of the potential conflict, as well as potentially escalating and triggering factors.

There is a wide range of both narrow and broad definitions of conflict prevention. Narrow definitions include, for example, preventive diplomacy, a term that has been defined by Michael Lund as

“actions taken in vulnerable places and times to avoid the threat or use of armed force and related forms of coercion by states or groups to settle the political disputes that can arise from destabilizing effects of economic, social, political, and international change.”²²

Former UN Secretary General Boutros Boutros-Ghali defined preventative diplomacy as “the use of diplomatic techniques to prevent disputes arising, prevent them from escalating into armed conflict ... and prevent the armed

¹⁹ Sophia Clément, *Conflict Prevention in the Balkans: Case Studies of the Fyr Macedonia*. Alençon (Paris: Institute for Security Studies, Western European Union, 1997).

²⁰ Alice Ackerman, "The Idea and Practice of Conflict Prevention", *Journal of Peace Research* 40, 3 (2003): 339-347; Karin Aggestam, "Conflict Prevention: Old Wine in New Bottle?", *International Peacekeeping* 10, 1 (2003); Fen Osler Hampson and David M. Malone, eds., *From Reaction to Conflict Prevention: Opportunities for the UN System* (Boulder, CO: Lynne Rienner, 2002); Bruce W. Jentleson, "Preventive Diplomacy: A Conceptual and Analytic Framework" in *Opportunities Missed, Opportunities Seized: Preventive Diplomacy in the Post-Cold War World*, ed. Bruce W. Jentleson (Lanham, MD: Rowman & Littlefield, 2000); Paul van Tongeren, Hans van de Veen and Juliette Verhoeven, eds., *Searching for Peace in Europe and Eurasia: An Overview of Conflict Prevention and Peacebuilding Activities* (Boulder, CO: Lynne Rienner, 2002); William I. Zartman, "Preventing Deadly Conflict", *Security Dialogue* 32, 2 (2001): 137-154.

²¹ Peter Wallensteen, "Preventive Security: Direct and Structural Prevention of Violent Conflicts" in *Preventing Violent Conflicts: Past Record and Future Challenges*, ed. Peter Wallensteen (Uppsala: Department of Peace and Conflict Research, Uppsala University 1998).

²² Michael S. Lund, *Preventing Violent Conflicts* (Washington, D.C.: United States Institute of Peace Press, 1996), 37.

conflict from spreading.”²³ Among the broader and more inclusive definitions are David Carment and Albrecht Schnabel’s definition of conflict prevention as “a medium and long term proactive operational or structural strategy undertaken by a variety of actors, intended to identify and create the enabling conditions for a stable and more predictable international security environment.”²⁴ Gabriel Munuera provides an even wider definition of conflict prevention as “the application of non-constraining measures (those that are not coercive and depend on the goodwill of the parties involved), primarily diplomatic in nature.”²⁵

Some researchers are arguing for the need of a more narrow definition to make conflict prevention researchable²⁶, while others consider a broader definition more beneficial²⁷. This chapter applies a broader definition, based on Michael Lund’s definition of conflict prevention as

“any structural or intercessory means to keep intrastate or interstate tension and disputes from escalating into significant violence and use of armed forces, to strengthen the capabilities of potential parties to violent conflict for resolving such disputes peacefully, and to progressively reduce the underlying problems that produce these issues and disputes.”²⁸

This is an inclusive definition that can be separated into three different parts. In this chapter, conflict prevention includes any structural or intercessory means to:

²³ Boutros-Ghali Boutros, "Challenges of Preventive Diplomacy - The role of the United Nations and its Secretary-General" in *Preventive diplomacy: Stopping wars before they start*, ed. Kevin M. Cahill (New York: BasicBooks and the Center for International Health and Cooperation, 1996), 18.

²⁴ David Carment and Albrecht Schnabel, "Introduction – Conflict Prevention: A concept in search of a policy" in *Conflict Prevention. Path to Peace or Grand Illusion?*, eds. David Carment & Albrecht Schnabel (Tokyo: The United Nations University Press, 2003), 11.

²⁵ Gabriel Munuera, "Preventing Armed Conflict in Europe: Lessons learned from recent experience", *Chaillot Paper 15/16* (1994): 3.

²⁶ Peter Wallensteen and Frida Möller, *Conflict Prevention: Methodology for Knowing the Unknown* Uppsala Peace Research Papers No. 7 (Uppsala: Department of Peace and Conflict Research, Uppsala University, 2004).

²⁷ David Carment and Albrecht Schnabel, eds., *Conflict Prevention. Path to Peace or Grand Illusion?* (Tokyo: The United Nations University Press, Carment, 2003).

²⁸ Michael Lund, "Preventing Violent Intrastate Conflicts: Learning lessons from experience" in *Searching for Peace in Europe and Eurasia: An Overview of Conflict Prevention and Peacebuilding Activities*, eds. Paul van Tongeren, Hans van de Veen and Juliette Verhoeven (Boulder, CO: Lynne Rienner, 2002), 117, note 6.

1. keep intrastate or interstate tension and disputes from escalating into significant violence and the use of armed force,
2. strengthen the capabilities of potential parties in a violent conflict to resolve such disputes peacefully,
3. progressively reduce the underlying problems that cause these issues and disputes.

This chapter will be limited to explore structural conflict prevention mechanisms. The reason for this limitation is that it is possible to assume that informal networks have their greatest impact on structural preventive mechanisms. This is possibly the most important impact of informal network and it happens through changes in norm systems and the perceptions of others. Other essential aspects include the building of trust and long term relationships, the creation and redefinition of which are long term processes.

The Northeast Asian regional cluster

The Northeast Asian region has a number of specific, sometimes unique features, which are important to be aware of when exploring the region's conflict prevention mechanisms and the role and impact of informal networks. Northeast Asia is characterized by low levels of institutionalization and there is a general preference for informal and consensus based interaction between the actors. At the same time, however, contrary to most existing economic and trade theories, there is a high level of intra-regional trade and economic cooperation. There is even a general skepticism of formal regional cooperation. Northeast Asia also has a long historical, cultural, philosophical and religious tradition that differs significantly from Western traditions. This is an unfortunate fact as most existing theories are based on Western culture, historical heritage, religious values and philosophy. This is an important fact, as the last thing that can be said about Northeast Asia is that it lacks a historical and cultural context. There is a high level of intra-regional distrust, but still no open conflicts even though a number of potentially devastating hotspots can be found in the region, like for example the Taiwan Strait, the Korean Peninsula, and the South China Sea.

In the region, emphasis is put on history, which is both an integrated part of the individuals, nations, and the mindset of different regional cultures. The importance of history can be seen clearly in, for example, the tense Sino-Japanese relations, as well as in other states' relations with China. In the region, the concept of "face" is one of great importance, which affects interactions among individuals. Prominence is given to trust and long term relationships rather than to formal agreements and contracts. As a result, personal ties are important and the family is a central structure. It is important to remember that there is no such thing as a Northeast Asian culture, or a Chinese culture, that everyone adheres to, nor do these traits fit all individuals. At the same time, it is important to realize that Northeast Asia is not Europe, nor the US.

The Northeast Asian region is a cluster of states with both geographical proximity and cultural similarities, i.e. a so-called regional cluster. Regional clusters are self-constructed, by states or state-like entities with geographical proximity and cultural similarities. This chapter will focus on the cultural attributes of the entities and their populations - attributes in which the construction and reconstruction of informal networks plays a role and may have a potentially substantial impact.

Informal Networks and Conflict Prevention

One of the main reasons why informal networks are important for conflict prevention is that they imply norm systems (shared values). Unless there are some form of common understanding and perception of underlying norms (shared values), an informal network can not exist.²⁹ The similarities of the members within a network's norm systems will also increase over

²⁹ This can be contrasted with formal (written) structures, where one becomes a member through signing, or in other ways agreeing to accept the conditions of, a set of written (legal) documents. In this case, the benefits are received solely through formal membership. Such formal structures include formal organizations and cooperation, both in- and outside Northeast Asia. This said, membership in forums for formal cooperation is also, at least in theory, built on shared values. However, many states and individuals often sign formal agreements and join organizations without any intent to adhere to (or without belief in) the underlying norms and values of the agreement. Forums for formal cooperation can, however, provide a platform for building a shared norm system through informal interaction (e.g. the UN and ARF which give people an opportunity to meet and discuss, thereby increasing their understanding both of each other and the reasoning behind their respective positions).

time through different forms of interaction among the members.

Norm systems (shared values) are important for one's conception of legitimacy and power. Furthermore, the understanding of legitimacy and power is important for the understanding of the social, moral, and cultural aspects of conflict dynamics. This, in turn, is essential since successful prevention and management of (potential) conflicts is largely dependent on an accurate understanding of the underlying dynamics. In addition, the conflict dynamics are highly dependent on the conflicting parties' construction of their respective interests and attitudes. Hence, over time, the understanding of conflicts, its social dynamics, its underlying morals, and its cultural interpretation will increase through the interactions within informal networks. As a result, the development of a common perception of the conflict will be facilitated.

As a large number of interconnected networks co-exist, sharing the same members, there will be a gradual move towards a shared understanding of what a conflict is and how it works. Even if it is not possible, or possibly not even desirable, to reach a shared understanding among actors in different states in and outside the region, the actors will be able to relate to one another's understandings through a shared framework that has been developed.

In sum, through understanding each others' perceptions of conflict and conflict dynamics, or possibly even through reaching a shared understanding, it will be easier to reach some form of agreement (either formally or informally) of what one is to prevent and how its dynamics work.³⁰

In regards to the understanding of the dynamics of conflict prevention, it is not only essential to understand legitimacy and power, but also the norm

³⁰ In this paper, conflict is defined as a social situation “when two or more parties perceive that their interests are incompatible, express hostile attitudes, or... pursue their interests through actions that damage the other parties. These parties may be individuals, small or large groups, and countries.” (Michael Lund, *Preventing and Mitigating Violent Conflicts: A Revised Guide for Practitioners* (Washington, D.C.: Creative Associates International, 1997). Conflicting interests can be over 1. access to and distribution of resources; 2. control over power and participation in political decision-making; 3. cultural, social and/or political identity; 4. status (particularly the status embodied in systems of government, religion) and 5. ideology.

systems themselves. In order to strengthen the capabilities of potential conflicting parties to resolve the disputes peacefully before they escalate, it is essential to know how legitimacy and power is created and how it changes. This is important since if the preventive measures, direct or structural, are not considered legitimate by all parties, or if they are not powerful enough, they will not be effective.³¹

Increased understanding of how underlying norm systems are created and changes is in itself a structural mean to prevent potential disputes from escalating. If the actors share the same norm systems, or at least have an understanding of the others' norm system, the escalation of the conflict will have to be the result of an active decision rather than a misunderstanding. Shared norm systems will also help to regressively reduce the underlying tensions that cause these issues and disputes. In short, informal networks help making conflict prevention a possible policy choice, as well as they hinder misunderstandings to cause an escalation of the conflict.

Another aspect that is important in regards to conflict prevention is the role and impact of informal networks on regional cultures. The networks of individuals and/or collectives, expanding over group and state borders, such as the Chinese Guanxi, the Japanese Wa, and the Korean Inhwa networks, business networks, academic networks and elite networks are important for cultural identity, language and citizenship. These are features of regional cultures that cannot be separated from the informal networks, since these networks are an integrated part of the culture and culture, in turn, is a part of the networks. This re-construction of identity and culture through informal interaction will alter the perceptions of cultural belonging and cultural differences and the mutually constructed, highly polarized insecurity in the region. Over time, informal networks will help facilitate both the reversal of the perceived insecurity and help develop more coherent regional norm systems and increase the understanding and acceptance of each other's differences. This is, however, a process that will take decades, rather than years.

One more concrete area where the impact of informal networks has been

³¹ This has been illustrated in the case of Central Asia. (Niklas Swanström, "The Prospects of Multilateral Conflict Prevention in Central Asia", *Central Asian Survey* 23, 1 (2004).

substantial is in regard to the emergence of sub-regional zones and growth triangles³² in Northeast Asia. In addition, the region is also experiencing a growing level of economic interdependence and regionalism.³³ Although the development and proliferation of sub regional-zones and sub-regional economic cooperation in Northeast Asia is founded on suitable economic conditions and policy decision taken by the governments of the region, the proliferation of cooperation is still highly dependent on cross-border business, family and elite networks. Networks based on ethnicity have been particularly essential in the establishment of business connections across national borders, especially in the case of the ethnic Chinese business networks, and have showed to be more effective than formal institutions in the region³⁴. For example, cultural affinity has been important for the success of economic cooperation in the greater South China region. Most Chinese in Hong Kong and Taiwan can trace their roots to the Guangdong and Fujian provinces and in this case language and common historical heritage is of great importance.

This development can potentially have a very real impact, not only as a confidence building measure and as a structural conflict preventive mechanism, but also as an incentive for the development and utilization of preventive and management instruments. Increased tension, and even more so violent conflicts, has instantaneous direct monetary costs which are measurable. Measurable effects, especially in the form of monetary losses, create a larger incentive to invest in prevention and management instruments. Cooperation on economic issues is also a good since such issues are less sensitive than issues addressing the military, territory and

³² The level of formal institutionalization of growth triangles and sub-regional zones differ. However, regardless of the level of institutionalization, informal networks are of foremost importance since different networks will utilize the growth triangles and the sub-regional zones. This not only on the economic level, but also on the political level where they help to ensure non-interference and/or good governmental policy.

³³ Edward Chen and C H Kwan, eds., *Asia's Borderless Economy: The Emergence of Subregional Economic Zones* (St Leonards, NSW: Allen & Unwin, 1997); Willem van Kemenade, *China, Hong Kong, Taiwan, Inc: The Dynamics of a New Empire* (New York: Random House, 1997); Myo Thant, Min Tang and Hiroshi Kakazu, *Growth Triangles in Asia: A New Approach to Regional Economic Cooperation*, 2nd ed. (Oxford: Published for the Asian Development Bank by Oxford University Press, 1998); Dajin Peng, "Subregional Economic Zones and Integration in East Asia", *Political Science Quarterly* 117, 4 (2003): 613-641.

sovereignty. The lower degree of sensitivity makes it possible for political entities such as China and Taiwan, or the two Koreas, to cooperate. Such cooperation is confidence building and increases trust between actors in the region. It also facilitates the development of long term relationships between actors in different areas of the region. Such trust and long term relationships are most valuable, and essential for the gradual reduction of the underlying problems that cause tension and disputes in the region, as well as for the ability to solve potential issues before they reach a critical level.³⁵

Although economic issues can be separated from political ones, the trust and long term relationships that economic cooperation and interaction has generated will be beneficial also for the political sphere. It should also be noted that the elite level of the business networks consists of individuals who, in most cases, either belong to or have good connections to the political elite networks. This creates an indirect link of trust and understanding between political actors in potential disputes. In fact, on the elite level, informal interactions that help build trust occurs in all sectors. This includes the internationalization of education, which leads to a gathering of the best students from around Northeast Asia at top universities around the world, giving them an opportunity to meet, to study the same curricula and to learn the same language. Furthermore, academics within the international research community and practitioners within the international diplomatic community are given the opportunity to meet each other at gatherings in and outside the region.

Today, there is so much interaction in different forms of informal networks that promote shared understanding and help building relationships and trust among individuals who previously never got the chance to even meet. Furthermore, individuals and collectives are so interlinked, at least on the elite level, that it is no longer possible to have a conflict with someone totally unknown. Thus, through informal networks there exists a possibility to prevent violent conflicts, if one sincerely wants to avoid them. It might

³⁴ Dajin Peng, "Ethnic Chinese Business Networks and the Asia-Pacific Economic Integration", *African and Asian Studies* 35, 2 (2000): 229-250.

even be that informal networks are the way to build a common regional culture of prevention in Northeast Asia.

Conclusion

Following Michael Lund's definition that has been applied in this chapter, it is clear that informal networks have an impact on all three aspects of conflict prevention (Table 1). The development of shared norm systems among the members of informal networks will have a preventive effect both across national borders, since networks exist across borders, and across networks since each individual or collective belong to more than one informal network. As Tarja Väyrynen points out, norms and values condition what is worth fighting for. They also

Table 1

Type of preventive effect (Lund 2002)	Benefit from Informal Networks
1. structural or intercessory means to keep intrastate or interstate tension and disputes from escalating into significant violence and use of armed forces	<ul style="list-style-type: none"> • (Shared) norm systems • Increased trust and understanding • Long-term relationships and interaction • Perception of cultural belonging and cultural differences • Economic interdependence • Development of sub-regional cooperation
2. structural or intercessory means to progressively reduce the underlying problems that produce these issues and disputes	<ul style="list-style-type: none"> • (Shared) norm systems • Increased trust and understanding • Long-term relationships and interactions • Perception of cultural belonging and cultural differences
3. structural or intercessory means to strengthen the capabilities of potential parties to violent conflict for resolving such disputes peacefully	<ul style="list-style-type: none"> • (Shared) norm systems • Increased trust and understanding • Long-term relationships and interactions • A platform for direct preventive measures

warrant conflictual actions and determine what kind of solutions that is

³⁵ Formal institutions are of foremost importance for confidence building through economic cooperation. Niklas Swanström's chapter in this volume addresses the impact of formal institutions in further detail.

acceptable.³⁶ The vast number of interconnected networks existing across borders, connecting individuals and collectives from all parts of Northeast Asia, will expose their members to numerous informal connections. Over time there will be a move towards the creation of different forms of, at least partially, shared norm systems. These shared norm systems will, in combination with increased intra-regional trust and understanding, and the development of different forms of long-term relationships between individuals and collectives across the region, has a positive effect as a structural prevention mechanism. These mechanisms help keeping tension and disputes from escalating into violence. Over time, they also create a possibility to reduce the underlying problems that cause the disputes. Indirectly, the structural prevention mechanisms also strengthen the capabilities of potential parties to violent conflict to resolve such disputes peacefully, as prevention and cooperation becomes the norm (as opposed to conflict).

The interaction within networks across borders will increase the understanding of cultural differences between different cultural, national and ethnic groups. The interaction also forces individuals to reflect over, or even problematize, their own perception of their respective cultural identity. This process will have the potential to affect the currently highly polarized inter-cultural perceptions - or even demonizations - that create tension and disputes in the region. Although the governments and the people often differ in their perceptions, this process will affect both of them in a positive, but not necessary identical way.

The development of sub-regional economic zones and cooperation, and the continually increasing economic interdependence through the actions of informal networks is a structural preventive mechanism since economic interdependence and a high level of sub-regional cooperation decreases the likelihood of violent conflicts.

Informal networks also have a potential role as a platform for more direct preventive measures both through informal pressure and informal diplomacy. They also create a common ground for more open and even

³⁶ Tarja Väyrynen, *Culture and International Conflict Resolution* (Manchester: Manchester University Press, 2001), 4.

formal actions. The use of existing informal networks is likely to be highly suitable in the Asian setting where there tend to be a preference for informality and informal mechanisms rather than formal mechanisms.

Informal Networks – A Possible Way for Northeast Asia?

Since skepticism toward formal regional cooperation and a preference for consensus-based cooperation (e.g. ASEAN) and informality are distinct characteristics of interaction within Northeast Asia, the conflict preventive mechanisms offered by informal networks could play an important role. Conflict prevention through such networks is most likely to be suitable for the Asian culture(s) that emphasize face, trust and long term relationships. The importance of long term relationships and trust can, for example, be seen in the North Korean conflict. In this conflict, Beijing has played an essential role as informal mediator between Pyongyang and Washington, thereby facilitating the four-party talks leading to the 1994 Geneva Agreed Framework, as well as the more recent multi-party talks in Beijing. How important long term relationships and trust really are becomes even clearer when noting the changes to the Sino-North Korean relations after the death of Deng Xiaoping and the retirement of his generation of leaders. Deng had strong personal ties to Kim Il-Sung and his regime and after his death, the Chinese influence over Pyongyang has decreased.³⁷

As such networks in practice already are the preferred form of interaction and already have a position of foremost prominence in Northeast Asia, it is not far-fetched to believe that they have an important role to play also in the prevention of conflicts. It is in many cases better to use an already institutionalized platform for interaction also when addressing new issues, rather than trying to create a new platform.

This said, it should be clear that informal networks are no panacea for conflict prevention and peace. Nevertheless, they are expanding the prevention toolbox to include better developed and customized methods and

³⁷ Niklas Swanström and Mikael Weissmann "Chinese Influence on the DPRK Negotiations", *Peace Review* 16, 2 (2004): 219-224; Niklas Swanström and Mikael Weissmann, "Can China Untie the Gordian Knot in North Korea?" *Korean Journal of International Studies* 1, (2004).

they are limiting the risk that conflicting parties are drawn in to unwanted conflicts. As different forms of informal networks are important in Northeast Asia, and informality a preferred way of interaction, it is not only important to include such networks in conflict prevention theory, but also to understand their potential benefits in the different stages of conflict. As many conflict preventive actions are highly sensitive publicity is often unwanted both to protect the legitimacy and face of the involved parties. Therefore, the potential of informal networks shall not be underestimated. In practice, informal networks are already in use, even though it is unclear how and when they work, and why and when they fail. Increased understanding would however be beneficial for the peaceful development in the region.