

ASEAN in East Asia

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ASEAN is commonly characterized as the institutional expression of regional reconciliation following states’ confrontational politics of the early to mid 1960s. As such, the focus of those who work on ASEAN is frequently and rightly on the relations between its member states, and the tensions that exist between national and regional interests, perspectives and identities. At the same time, as defining as these dynamics are, no explanation is complete without an accounting of ASEAN’s relationship with major actors and global forces. This chapter focuses on ASEAN’s institutional development in relation to the wider regions of East Asia and the Asia Pacific. However, rather than focusing on ASEAN’s sovereignty-bounded or non-interference-norm-bounded institutionalism as many do, it looks instead at ASEAN’s evolution as a self-identified Southeast Asian organization into one whose institutional attention and regional scope increasingly extend beyond Southeast Asia.

This expanded regional and institutional focus has helped the organization remain relevant amid fast-changing regional developments. ASEAN today participates in—and is even at the centre of—new multilateral East Asian and Asia-Pacific arrangements. Treaties and norms originally forged for Southeast Asia alone are now being made open to non-Southeast Asian actors. Linkages and processes between collective ASEAN and extra-regional powers have also witnessed tremendous growth. As much as modifications to ASEAN’s non-interference norm, changes in ASEAN’s regional attention and scope are also examples of institutional adaptation and institutional departures from ASEAN’s founding purpose and design.

At the same time, these expanded activities raise questions for the 40-year-old association. Especially with growing East Asian integrative trends and perhaps a more assertive China and Japan, East Asian regional configurations pose particular challenges. Specifically, how does ASEAN, as a self-identified Southeast Asian organization of lesser powers, adequately represent

and promote Southeast Asian interests vis-à-vis other, mostly larger, actors? How does ASEAN ensure its own institutional relevance and distinctiveness within larger regional frameworks? Indeed, will member states continue to maintain ASEAN as a distinct entity? In short, the adaptation itself poses an important challenge for ASEAN as a Southeast Asian organization.

ASEAN Of and Beyond Southeast Asia

ASEAN is the institutional expression of a geographic concept. However, as far as organizing principles go, the idea of Southeast Asia as a basis for organization may be more contested than most. By conventional arguments, Southeast Asia is economically irrational as primary trade dependencies lie outside the region, politically problematic given the intra-regional competition between states, and strategically challenged given that these are weaker powers in a world of major powers. Yet, ASEAN's founders based their organization on the normative idea that Southeast Asia was a distinct region of states with commonalities that distinguished them from other regions and other powers. If today, forty years later, we see in Southeast Asia a coherent regional entity, it is largely due to ASEAN, whose activities have done much to give concrete form, substance and meaning to this once ambiguous region.

As an explicitly Southeast Asian organization that was created in 1967 for and by Southeast Asian states, ASEAN's regional scope was narrowly defined geographically and substantively. As designed, ASEAN's focus was to create the conditions that would facilitate self-strengthening and regional unity—*resilience*—in the interest of national and regional self-determination. However, since the late 1980s, various changes—including the rise of China, a politically conflicted and economically challenged Japan, changing US economic and security policies (as security guarantor and as growth driver), as well as an ever more competitive global economy—have increasingly challenged ASEAN to reconsider its regional scope and institutional content, form and purpose. The result is an ASEAN that now participates in and even anchors new Asia-Pacific and East Asian arrangements.

But while, today, ASEAN's expanded regional role may sometimes seem a natural and logical choice, reluctance, not enthusiasm, has mostly characterized ASEAN's earliest forays into Southeast Asia-plus regionalisms. In the case of the ASEAN Regional Forum (ARF), for example, insecurities vis-à-vis US commitments and a rising China created incentives to pursue a security arrangement that would facilitate constructive, Southeast Asia-friendly roles from both.

Yet decisions surrounding the creation and development of ARF were complicated especially by concerns over what such arrangements would mean for ASEAN's lesser economies/powers and ASEAN as an institution. Institutional concerns were underscored by a string of extra-regional proposals (four from Australia, one from Canada and one from Japan) that preceded the 1991 recommendation from ASEAN-ISIS.¹ In this sense, as much as ARF was, as many argue, a response to growing regional insecurities about the United States and China, ASEAN's first institutional venture beyond Southeast Asia was also an attempt by ASEAN states to exercise a degree of self-determination and to pre-empt the imposition of a non-ASEAN framework on Southeast Asia that potentially might exclude or marginalize ASEAN.²

Additional steps were taken to underscore ASEAN's centrality. The new forum was called the *ASEAN* (not Asian) Regional Forum and chairmanship would be held by an ASEAN state. The ARF adopted ASEAN-style consensual decision making to guard against larger powers overwhelming Southeast Asian needs, interests and perspectives. States also agreed that ASEAN's Treaty of Amity and Cooperation (TAC) would provide the code of conduct for the larger forum.³

TAC, in fact, offers another early example of ASEAN's ambivalence towards expanding beyond its founding regional purview. During debates in the mid-to-late 1980s Indonesia, especially, expressed concern about the effects of extra-Southeast Asian accession for TAC's High Council and a Southeast Asian Zone of Peace, Freedom and Neutrality (ZOPFAN).⁴ Despite a 1987 compromise that opened the door to conditional and qualified non-Southeast Asian accession—specifically, accession was contingent on the consent of all Southeast Asian states and signatories, and non-Southeast Asian participation on the High Council was limited to cases of direct involvement⁵—states continued to debate the proper relationship between ASEAN and non-Southeast Asian powers into the early 1990s. Further clarification came with ASEAN's 1993 ZOPFAN Programme of Action, which affirmed ASEAN's interest in a code of conduct that extended beyond Southeast Asia but still made absolutely clear the distinction between Southeast Asian and non-Southeast Asian actors and the necessity of parallel efforts to strengthen intra-ASEAN cooperation. That then paved the way for a more proactive promotion of TAC in the ARF⁶ and eventually the East Asian Summit (see below).

ASEAN in East Asia

If the late 1980s to mid 1990s represented the first period of major reassessment of ASEAN's Southeast Asian scope, if not content, the late 1990s was the second, with East Asian arrangements as the major beneficiaries.⁷ As a rival regional concept, East Asia, even more than the Asia Pacific, poses a particular challenge to ASEAN-Southeast Asia on both functional and ideological grounds. For one, East Asian regionalism appears a natural functional response to intensified interdependencies between Southeast Asia and Northeast Asia. In addition, East Asian cooperation could mitigate a particularly intense dependency on Western, especially US, markets as drivers of ASEAN growth. It could also increase ASEAN leverage vis-à-vis Western trade partners. In the political-security sphere, East Asian regionalism also offers the opportunity to build improved relationships—if not a community—through dialogue and functional cooperation. Compared to Asia-Pacific conceptualizations, a non-Western East Asia also satisfies anti-imperialist or anti-nationalist sentiments that target mostly the West.

All these considerations came together with the 1997 Asian financial crisis, now commonly recognized as the turning point in what many describe as “emerging” or “nascent” East Asian regionalism.⁸ In addition to the regular ASEAN Plus Three (APT) summitry at the highest levels, there is also growing functional cooperation. This includes high-profile financial cooperation like the Chiang-Mai Initiative, the Asian Bond Markets Initiative and annual, separate meetings of APT Finance, Economic and Foreign Ministers. There are also increasingly regular meetings between the ten states on a growing number of other issues—health (two ministerial meetings as of 2006), labour (at least five ministerial meetings as of 2006) and tourism (six ministerial meetings as of January 2007). ASEAN linkages with its individual Northeast Asian counterparts are also evidenced in the various free trade agreements that have emerged over the last five years.

Nevertheless, ASEAN states remain conflicted, with questions especially about what “East Asia” means for the regional idea and regional ideal of Southeast Asia—resilient, self-determined and unified. Debates over an APT secretariat are a case in point. Thailand, Indonesia and Singapore, for example, all saw the APT secretariat—a formal and physical expression of the East Asia idea—as “steal[ing] the shine” from the ASEAN Secretariat,⁹ or even as a potential threat to ASEAN and/or ASEAN interests. Thus, various representatives have argued to strengthen the ASEAN secretariat in Jakarta first so that ASEAN would be better able to manage and “steer” the APT process.¹⁰

The development of the EAS, which currently includes the ten APT states plus Australia, India and New Zealand, is thus an interesting example of some of ASEAN's intersecting concerns. On the one hand, the EAS, as a potential rival to the APT and as a nominally *East Asian*—not *ASEAN-plus*—initiative, could represent a departure from ASEAN's institutional centrality. The decision to make TAC a precondition of EAS membership reflects those concerns. On the other hand, those like Singapore, who support EAS's development, do so partly to offset the dominance of any one state (especially China) in East Asian processes.

Conclusion and Policy Implications

In short, ASEAN has expanded its regional scope and institutional role in ways unanticipated by its founders. Such an expansion into Asia-Pacific and East Asian arrangements is a notable institutional adaptation that has arguably helped sustain ASEAN's institutional relevance despite significantly changed circumstances from its founding. ASEAN's expanded regional and institutional focus points to a growing acknowledgement of Southeast Asia's economic and security interdependence with Northeast Asia. Most of all, it points to a heightened awareness that the special conditions (e.g., US Cold War commitments to Southeast Asia and a Cold War regional political economy minus China) that had facilitated ASEAN-Southeast Asia's development as a region have changed. Expanding what had historically been a narrow and inward-looking Southeast Asian regionalism was thus an adaptation to changes and challenges in ASEAN's major power relations—the US, as well as Northeast Asian.

Thus far, ASEAN has not just adapted well to the changing regional landscape, but its influence and centrality in East Asia's new regionalism has exceeded what one would expect of a small-power coalition. In addition to the ARF and the APT, in which ASEAN plays pivotal and leading roles, the extension of TAC beyond Southeast Asia is an especially remarkable development for ASEAN's group of lesser powers. Not only is it a condition of membership in the EAS, East Asia's newest regional framework, but it also stands out as an indigenous, regional instrument that has now been acceded to by every state in East Asia except North Korea, the major powers of South Asia and the South Pacific, as well as Russia. In addition, ASEAN has become a kind of a hub for political-economic and free-trade initiatives in East Asia.

Nevertheless, the economic, political and institutional challenges remain great. While ASEAN has done well by most standards, its current centrality, much like its early development,

took place under special conditions. Important roles have been played by Japan, and especially, China, whose presence is being felt at nearly all levels of the regional political economic production chain, especially by ASEAN economies. Due to economic, political and domestic constraints, China has until now played a relatively restrained political role. While China, of the major powers, has proven the most supportive of continued ASEAN centrality and even leadership, the question to ask is whether such support would continue if current conditions were altered. Changes to consider include: a more anxious and assertive Japan; a leadership or political crisis in China; a more economically confident China that becomes increasingly impatient with what Chinese nationalists may see as excessive or endless world and/or regional demands; the further (but still uncertain) development of the EAS, a weak ASEAN that either lacks the will or ability to be more assertive in promoting interests of common concern or so divided within itself that it loses the normative legitimacy that has attracted players to its table and justified its centrality.

These challenges point to certain policy implications. Developments have challenged ASEAN to be more coordinated and integrated. Greater ASEAN economic integration will improve its investment and trade attractiveness. Greater political consultation and coordination will help ASEAN's lesser states hold their own vis-à-vis larger actors and other regional groups. This is not a novel policy implication. Past efforts to speed up the ASEAN Free Trade Area (AFTA) in response to APEC in the 1990s were similarly motivated. As Singapore's foreign minister put it in 1995, "If we in ASEAN do not move fast and stay ahead of developments, we will be sidelined."¹¹

Recommendations made by various eminent persons and officials in anticipation of ASEAN's 40th anniversary initiatives similarly point to the need to develop ASEAN's own cooperative mechanisms and integration. These include the ASEAN Charter, ASEAN Concord II, as well as recommendations made by a High Level Task Force on ASEAN Economic Cooperation. Nevertheless, questions remain. The proposed ASEAN Charter and now its delay reflect both the acknowledged need to self-strengthen and continued resistance to change. ASEAN elites express concern about the ASEAN Secretariat being overshadowed but then give it limited resources and authority. At the very least, these tensions suggest reservations about the direction of intra-ASEAN coordination and integration, but they nevertheless have practical effects. ASEAN incoherence hurts its image and detracts from ASEAN's ability to play a

stronger role in larger arrangements. It can also weaken its bargaining position on individual agreements, as in the ASEAN-China Free Trade Area Agreement. Despite China's initial collective approach, intra-ASEAN differences were such that the process devolved into one involving separate bilateral negotiations between China and individual ASEAN states.

In short, what began as an institutional adaptation to changes and challenges in ASEAN's great power and global relations is now an important and growing challenge. The question is not only whether states are able to achieve the coordination and integration that many think are necessary but also whether new intra-ASEAN development will, in turn, destabilize the old areas of intra-ASEAN consensus and agreement in ways that strengthen or weaken the Southeast Asian idea, ideal and organization.

¹ Pauline Kerr, "The Security Dialogue in the Asia-Pacific", *Pacific Review* 7, no. 4 (1994), pp. 397–409; and Andrew Mack and Pauline Kerr, "The Evolving Security Discourse in the Asia-Pacific", *Washington Quarterly* 18 (Winter 1995), pp. 123–124.

² Alice Ba, "The ASEAN Regional Forum: Maintaining the Regional Idea in Southeast Asia", *International Journal* LII, 4 (Autumn 1997), pp. 634–656.

³ Mely Caballero-Anthony, *Regional Security in Southeast Asia* (Singapore: Institute of Southeast Asian Studies, 2005), Chapters 4 and 5.

⁴ Bertha Henson, "EAEC and Amity Treaty Two Hottest Issues Today", *Straits Times*, 23 January 1992; and Anuraj Manibhandu and Nattaya Chetchotiros, "Thailand: Govt pushes For Wider Backing of ASEAN's Treaty", *Bangkok Post*, 23 January 1992.

⁵ See ASEAN, Protocol Amending the Treaty of Amity and Cooperation in Southeast Asia, Philippines, 15 December 1987.

⁶ See "ASEAN Has Plan of Action to Create Zone of Peace, Neutrality", *Straits Times*, 26 July 1993, p. 22; and Chin Kin Wah, "ASEAN: Consolidation and Change", *Pacific Review* 8, no. 3 (1995), pp. 424–439.

⁷ Douglas Webber, "Two Funerals and a Wedding? The Ups and Downs of Regionalism in East Asia and the Asia-Pacific after the Asian Crisis", *Pacific Review* 14, no. 3 (2001), pp. 339–372.

⁸ Richard Stubbs, "ASEAN Plus Three: Emerging East Asian Regionalism?" *Asian Survey* 42, no. 3 (2002), pp. 440–456.

⁹ Confidential Interview with author, Ministry of Industry and Trade, Kuala Lumpur, August 2002.

¹⁰ See comments of director-general, Thai foreign ministry's Asean Department; Philippine foreign minister Siazon; former ASEAN Secretary General Severino. "Asean Considers Strengthening 'Asean plus 3' Cooperation", *Japan Economic Newswire*, 27 July 2002; and Saiful Azhar Abdullah. "Plus3 'Home' Dogs ASEAN", *New Straits Times*, 29 July 2002.

¹¹ S. Jayakumar, "Opening Statement to 28th AMM, 29 July 1995, Brunei" (Singapore: Ministry of Foreign Affairs, Public Affairs Directorate, 1995).