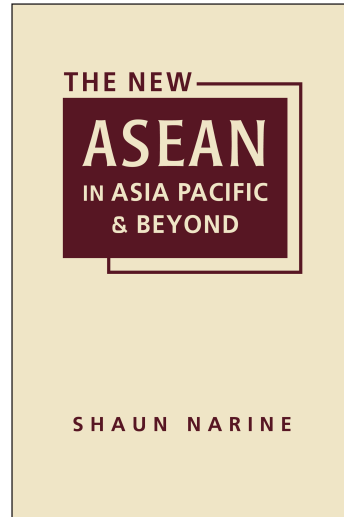


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# The New ASEAN in Asia Pacific and Beyond

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# 1

## ASEAN in the Twenty-First Century

**In 2017, the Association of Southeast Asian Nations (ASEAN)** celebrated its fiftieth anniversary. Since its founding in 1967, ASEAN has evolved and reformed many times and in many ways. It has grown from a nonaggression pact between five anticommunist states into an increasingly sophisticated community of ten (perhaps soon to be eleven, if East Timor joins) Southeast Asian nations. It has grown from a loosely institutionalized regional entity indirectly addressing the political and security relations of its member states into nascent Economic, Political and Security, and Socio-Cultural Communities, all under the umbrella of the ASEAN Community. Yet despite all of this, there remains considerable doubt within the international and academic communities on exactly what ASEAN is, what it is capable of doing, and what purposes it serves.

In 2003, the Association of Southeast Asian Nations held its ninth summit in Bali, Indonesia. This was the second Bali Summit, and it was a deliberate attempt to evoke the memory and achievements of the first Bali Summit, of 1976. The first Bali Summit was a seminal moment in the evolution of ASEAN. It was the first meeting of ASEAN's heads of state and it concluded with the signing of the Treaty of Amity and Cooperation in Southeast Asia (TAC), which laid out the basic guidelines for interstate interaction between its signatories. The TAC commits its signatories to the peaceful settlement of disputes; it has since become the symbolic heart of the region's security aspirations. To join the East Asia Summit (EAS), a regionwide conglomeration of states (including the United States, China, India, Russia, and Japan), states must first accede to the TAC.

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Bali I signaled substantive efforts at using the organization to shape the political, economic, and security parameters of Southeast Asia. The meeting was driven by the regional need to respond to the potential threat of Vietnam, newly reunified under communist rule. Bali II was an effort to rejuvenate ASEAN and set a course for the next several years. It was a response to the years 1997–2003, when ASEAN's institutional prestige suffered humiliating blow after blow. ASEAN entered the post–Cold War era as the instrument of a group of confident and emerging economic powers. Between 1995 and 1999, ASEAN expanded its membership to include all ten states (at the time) of Southeast Asia. But in 1997, the rising powers of Southeast Asia took a nasty tumble, along with many of their East Asian neighbors. The Asian economic crisis of 1997–1999 devastated the region's economies and demonstrated the significant limitations of ASEAN as a coherent and effective regional body. During and after the crisis, numerous other calamities befell Southeast Asia. A choking haze caused by human-made forest fires in Indonesia engulfed the region in 1997, threatening the health of tens of millions of people. In 1999, East Timor voted to establish itself as an independent state. In response, militias backed by the Indonesian military rampaged across the territory, eventually prompting United Nations (UN) intervention. In both of these cases, ASEAN proved incapable of effectively managing important threats to regional stability. At the same time, ASEAN was proving incapable of managing the conduct of some of its newest members, Cambodia and Myanmar, as they engaged in brutal actions against their own citizens. Taken in conjunction with the economic crisis, ASEAN was in dire need of proving itself to be a consequential regional organization.

At Bali II, ASEAN's leaders approved plans to make ASEAN into the foundation of a much larger and more coherent regional project. In defiance of their critics both inside and outside the region, ASEAN's leaders decided that the best way to demonstrate the continuing relevance and efficacy of the institution was to set bold and extravagant goals. Bali II called for the creation of an ASEAN Charter, a document that, once ratified, would give ASEAN legal personality for the first time. It also called for the creation of an ASEAN Community, to consist of three separate communities: an ASEAN Security Community, an ASEAN Economic Community, and an ASEAN Socio-Cultural Community. Bali II was the first effort to rehabilitate ASEAN for the twenty-first century, the first effort of Southeast Asia to assert its rightful and leading role in the redefinition and realignment of Asia Pacific in the new world order. This book is a critical assessment of ASEAN's efforts to achieve these goals.

This book attempts to answer the question: What role will ASEAN play in Asia Pacific in the twenty-first century? This is a broad question that invites numerous possible answers, and all of the answers are subject to numerous interpretations. This book seeks to address this question for the next ten to fifteen years. Within ASEAN scholarship, there is a lively debate over whether ASEAN embodies a distinct form of Asian multilateralism. If it does, ASEAN supporters argue it must be evaluated on the basis of that uniqueness. ASEAN's critics argue that the organization is, in fact, relatively weak and incapable of concerted action. Its unique "Asian" qualities are simply excuses for the inability of its members to make the commitment to the measures necessary to make ASEAN a truly effective institution. The argument in this book is that neither characterization of ASEAN is accurate. To get to this point, the book examines ASEAN's efforts to create itself as an ASEAN Community and its attempts to place itself at the center of regional institutionalism. Neither effort achieves what ASEAN appears to be trying to accomplish.

If ASEAN's efforts to construct a community and to regulate regional interactions are less than fully successful, then what role does ASEAN play in the region? The answer, in large part, lies in its ability to facilitate interactions between the great powers of Asia Pacific. The book shifts to examine the relationships of China, the United States, Japan, India, and Russia with ASEAN and each other. It examines if and how ASEAN affects the conduct and interests of these powerful states. The answer to this question is a qualified yes: by providing the venues in which regional powers can interact, by creating structures that influence the rules and norms of regional conduct, ASEAN affects the actions of the great powers. However, it is critically important not to exaggerate the extent of this influence. The great powers accede to ASEAN's regional role because tensions between them make ASEAN an acceptable compromise for providing the institutions that are absolutely essential for diplomatic interaction. Even so, great powers have interests and objectives of their own that do not necessarily accord with the norms and values propagated by ASEAN. The global and regional environments are in the preliminary stages of a shift to a multipolar world. Under these circumstances, an organization such as ASEAN—provided it can present a unified face to the world—has the potential to play a major role.

## Overview of the Book

This book picks up where my earlier book, *Explaining ASEAN: Regionalism in Southeast Asia* (2002), left off. That work focused on ASEAN's

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creation, evolution, and regional functions from 1967 to 2001. ASEAN's regional role has changed considerably since 2002. ASEAN has become the linchpin of many more regional institutions and economic arrangements. This book does not try to provide an exhaustive description of ASEAN's many institutional reforms, numerous meetings, related bodies, and various activities. That is difficult to do for a constantly moving target. Moreover, too much detail can obfuscate the larger picture. Instead, this work examines what I believe are the most significant developments around ASEAN and analyzes what these changes mean for ASEAN and the region. The book also does not try to look too far into the future. The arguments made here apply to ASEAN's development over the next ten to fifteen years. Beyond that period, a great deal can change. For example, within that time span, the relative positions of the United States and China in the region should become clear, and that will have serious implications for ASEAN's development.

Chapter 2 reviews the history of Southeast Asia, the conditions that gave rise to ASEAN, and the organization's development through to the end of the Cold War. The chapter discusses the crises of purpose and credibility that afflicted ASEAN during the Asian economic crisis. The chapter concludes with a discussion of how the crisis led ASEAN to try to build an ASEAN Community and facilitated the development of other, newer institutional structures.

Chapter 3 evaluates ASEAN's efforts at internal reform by examining the ASEAN Community and its component parts, including the ASEAN Charter. ASEAN's efforts at reform encourage the greater institutionalization of the organization. However, its stated goals give precedence to established Westphalian values. The chapter illustrates this by assessing the ASEAN Charter and the ASEAN Intergovernmental Committee on Human Rights (AICHR). An examination of the ASEAN Economic Community (AEC), the ASEAN Political Security Community (APSC), and the ASEAN Socio-Cultural Community (ASCC) indicates that the AEC is the most effective of these three "pillars" of the ASEAN Community. However, the ASEAN Community is still decades away from being an appreciable influence on regional affairs.

Chapter 4 looks at ASEAN "centrality"—that is, ASEAN's attempt to place itself at the center of new regional institutions. The chapter examines the ASEAN Plus Three (APT) (China, Japan, and South Korea) and its associated structures, the Chiang Mai Initiative Multilateralization (CMIM) and the Asian Bond Markets Initiative (ABMI). It also reviews the East Asia Summit, the ASEAN Regional Forum (ARF), and the Regional Comprehensive Economic Partnership (RCEP). These institutions play important diplomatic, political, and economic roles in

the region, but they have still not lived up to expectations of what they should accomplish. The fact that the states of Asia Pacific weathered the global financial crisis of 2007–2009 through national, rather than collective, policies has undermined the urgency with which the region built many of the new economic institutions.

The next three chapters focus on the great powers. Chapter 5 explores China's increasingly important economic, political, and security relationships with ASEAN and Southeast Asia. The chapter analyzes how China's actions in the South China Sea have greatly complicated its otherwise positive relationship with most ASEAN states. The chapter emphasizes the critical role of domestic pressures in explaining and understanding how China deals with Southeast Asia and the larger global community. China is an emerging global power, but it is plagued by many sources of domestic political and economic instability that can fatally undermine its drive toward prosperity. China's need for a peaceful regional environment in which to pursue economic development is complicated by its concerns with regional security, access to resources, and use of nationalism to offset the losses to the Communist Party's legitimacy. China is at the forefront of an emerging multipolar global order but its many inherent weaknesses challenge its ability to be a regional hegemon.

Chapter 6 examines the fundamentally important role of the United States in shaping and maintaining the modern Asia Pacific. Despite its importance, the United States is a power in decline. The overwhelming preponderance of economic and military power that allowed the United States to dominate the world in the post–World War II and post–Cold War eras is long past. It is only in military power that the United States remains a hegemon, and much of that military power is of questionable utility. Rather than accepting its decline, the United States strives to remain a global hegemon, leaving it overextended and, often, a source of instability and conflict in the world. The United States is distracted from the parts of the globe that really matter to its long-term interest, foremost among these Asia Pacific. Much like in China, US foreign policy is heavily constrained and shaped by domestic political considerations. The United States faces considerable political, social, and economic dysfunction at home; this dysfunction has been building for decades and is deeply rooted in the fundamental structures and myths of the American state and society. The 2016 election of Donald Trump as US president was the culmination of many of those problems. It was also a spectacular failure of American democracy and will have serious consequences for American soft and hard power in the world, including Asia Pacific.

Chapter 7 looks at the other major powers of Asia Pacific: Japan and India, with a brief discussion of Russia. Japan has enormous potential to be a full major power (a “normal country”) in Asia Pacific. It has been content to shelter under the US security umbrella, but there are early signs that it may be considering expanding its regional actions and influence. Southeast Asia would welcome such a move; Northeast Asia, however, remains wary of Japanese power. Japan’s tense relationship with China continues to complicate its regional aspirations, and domestic issues, such as demographic decline, remain concerns. India is emerging as a major power but, even more than China, is a state with one foot in the developing world and another in the industrialized world. India has a tense relationship with China regarding border issues and it is developing stronger ties with Japan and the United States. India has been following a “Look East” policy of pursuing economic links with Southeast Asia. Its growing naval presence in the region speaks to its seriousness as a potential counterbalance to Chinese power. Finally, Russia remains more focused on its European relationships than Asia, despite some efforts to recalibrate its foreign policy. Russia is more of a potential regional power for now, but it provides weapons technology and natural resources to major Asian states.

Chapter 8 concludes the book by exploring the key question of this study: What is ASEAN’s role in a changing regional environment? ASEAN has limited influence over the great powers of Asia Pacific. Much of its influence lies in its ability to provide the venues for states to meet and smooth over their relationships and to set the basic rules—which are very much in keeping with traditional Westphalian norms—of regional interaction. ASEAN has the potential to be more. In an emerging multipolar world, particularly one that requires greater and more complex cooperation in order to deal with burgeoning (and related) social and economic tensions, ASEAN is well-positioned to act within the leadership vacuum left by great power competition. Doing this, however, requires a level of unity between ASEAN member states and a commitment to the organization that is very difficult for them to achieve. ASEAN consists of a remarkably diverse group of states, all of which see themselves as politically fragile. ASEAN’s norms and structures encourage its members to focus on their narrow national interests. If the ASEAN states—for their own reasons—can find consensus over which great powers to ally with and how to conduct their regional relations, then the organization will grow and prosper. If they cannot, then ASEAN will languish.