ASIA RISING

Who is Leading?

Amitav Acharya

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Printed in Singapore.

To Sally and Arun

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About the Author

Amitav Acharya was born in Orissa, India and educated in India and Australia. He has taught at a number of universities around the world, including Canada (York University), USA (Harvard University), Australia (Sydney University), Singapore (National University of Singapore and Nanyang Technological University) and UK (University of Bristol). He has written extensively on international affairs of the Asia-Pacific region. His previous book on current affairs, *The Age of Fear: Power Versus Principle in the War on Terror*, was published in 2004. Though a full-time academic, he also writes regularly for columns in a variety of news media. His hobbies include traveling and the study of Hindu-Buddhist monuments in Southeast Asia. He is married to Dai Ying, who was born in China, and they have a son, Arun Aparajit Acharya.

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Many of these comments were based on lectures and presentations at institutions and conferences around the world, both Asia and the West. The names of these, where applicable, are mentioned in the front pages of the chapters. I am deeply grateful to the organisers of these events for sponsoring my lectures.

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Preface:
Who Leads Asia?

"Has Asia been doing enough in leading the world opinion on how to manage, and in particular not to mismanage, the global challenges we face today, including that of terrorism, violence and global injustice?"[1] This was a question posed by Asian nobel laureate Amartya Sen to the 60th anniversary commemoration of the UN Economic and Social Commission for Asia and the Pacific in April 2007.

This book argues that Asia's ability to lead the world depends not just on the impressive growth rates of its leading nations like China, Japan and India. Nor does it depend on the immense cultural capital, natural resources and human talent the region undoubtedly possesses. Rather, it depends on the region's ability to overcome its internal rivalries and respond to new transnational challenges through mutual empathy, understanding and cooperation. Hence conflict and cooperation are the two principal themes of this book.

These essays were written as opinion pieces in various regional and international newspapers at the very dawn of the 21st century between 2002 and 2006, as an effort to make

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[1] Eastern Influence Badly Needed (April 1, 2007). *The Bangkok Post,* p. 3.

sense of the myriad possibilities of rivalry and cooperation in and around Southeast Asia.[2] The original and still the most important catalyst of these changes, of course, was the rise of China.

The answer to the question whether Asia will lead the world depends much on who will lead Asia. China is an obvious candidate for such leadership. Pessimists have raised the spectre of a Chinese sphere of influence (a la Monroe Doctrine) in Asia, especially Southeast Asia. This is not a likely prospect, now or in the future, even for the small states on China's immediate periphery, such as Burma and Cambodia. Equally absurd is the scenario raised by some analysts of a return of the region to the Sino-centric regional order (a benign system of hierarchy with China as the top nation) that characterised the old tributary system.

How, outside the realm of possibility of either a Sino-centric regional order — coercive or benign — China's neighbours, not just Southeast Asians, but also India to the west and Japan and the United States to the east, are adjusting and responding to its rise is a principal theme of this book. But the broader purpose is to understand whether the geopolitical repercussions of a multipolar Asia brought about by the simultaneous rise of China, India and Japan is leading the region to unmitigated rivalry and collapse, or creating new understandings and pathways towards a common destiny?

There are plenty of signs of a search for accommodation in today's Asia. While the relationship between China and the two other rising Asian powers, India and Japan, is marked by misgivings and suspicions over historical legacies and strategic

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[2]Some of the titles of the articles have been changed to better reflect the theme of this book.

concerns, there is probably enough geopolitical and economic space in the region to accommodate the interests of all of them plus that of the US. Despite signs of persisting and new rivalries in the emerging Asia, there has also been considerable degree of cooperation. While it may be too idealistic to hope for an over-arching and vibrant regional community, states in the region have played the game of cooperation with a view to avoid con-frontation and improve the prospects for peaceful change.

One reason for this shared interest in avoiding confronta-tion is the rise of a new breed of common challenges. These, such as the Asian financial crisis of 1997, the terrorist attacks on Bali in 2002, the Severe Acute Respiratory Syndrome (SARS) pandemic of 2003 and the Indian Ocean tsunami of 2004, have created a common sense of vulnerability to transnational dan-gers that are rooted in the forces of economic globalisation, which come at little or no notice, which respect no national or sub-regional boundaries and which defy remedies on the basis of national or unilateral action. Unlike domestic conflicts where cooperative international action is still taboo in a region with a deep attachment to Westphalian sovereignty, and inter-state conflicts which are too sensitive for ASEAN's (Association of Southeast Asian Nations) weak and unused conflict man-agement mechanisms, these transnational dangers both require and inspire cooperative addressing.

Twenty-first century Asia has seen the emergence of new frameworks of cooperation. Prominent among them is the East Asian Summit, inaugurated in December 2005 in Kuala Lumpur, which is part of the long-term vision of an East Asian community. It may be a sheer coincidence that 2005 was also the 50th anniversary of the historic Asia-Africa con-ference in Bandung, Indonesia. What is often missed to the casual observer is the extent to which the East Asian community

idea reflects the forgotten historical legacy of the Bandung Conference.

Bandung was an exercise in Asia's leadership in world affairs, especially giving a sense of purpose and direction to the newly independent nations of Asia, Middle East and Africa. Much of Asia's leadership then was Indian (and particularly Jawaharlal Nehru's) leadership. It was a time when Asia was one, at least psychologically. India and Arab Middle East (West Asia) was an integral part of Asian cooperation. Indeed, the official sponsor of the Bandung Conference was a group called "the Colombo Powers", whose official name was "Conference of Southeast Asian Prime Ministers". It included the leaders of India, Ceylon, Pakistan, Burma and Indonesia. After being isolated from Asia (because of its pro-Soviet stance and the distraction caused by the conflict with Pakistan) almost from the immediate aftermath of Bandung, India is once again a part of Asian regional cooperation. Its "Look East" policy may be more appropriately called a "Return to the East" policy.

While Nehru was the leader of the Bandung community, China's premier Zhou Enlai was the real "hero" of the conference, impressing fellow participants with a "charm offensive" and dispelling the fears of even die-hard anti-communists like Carlos Romulo of the Philippines or John Kotelawala of Ceylon. How ironic then, that Asia today is rife with the talk of a Chinese charm offensive! Then as now, China is actively seeking to engage its neighbours. But an important lesson of Bandung is that unless action matches words, the diplomatic gains the Chinese charm offensive will be short-lived, just as Zhou's gains (apparently at Nehru's expense) disappeared when China continued its support for the communist movements in Southeast Asia.

Bandung was attended by Japan but not Australia. The exclusion of Australia, which was present at the Asian Relations Conference organised by Nehru in 1947, was almost self-inflicted. Its Liberal government of the day viewed Bandung as a plot by Asian neutrals to marginalise the West and strengthen communist influence. But Nehru extended a hand of friendship to Canberra and Wellington for future gatherings such as Bandung. Against this backdrop, the invitation to Australia, New Zealand and India to the first East Asian Summit in 2005, pushed by Japan and Indonesia, smacks of a legacy of Bandung which upholds the principle of inclusiveness that has marked contemporary trends in regional cooperation under ASEAN's leadership.

Another legacy of Bandung was that Asia would have no "natural" leaders based on either physical power or cultural influence. Neither India nor China emerged from Bandung as the anointed leader of Asia. Bandung was symbolic for Japan as well, as it was the first Asian regional meeting attended by the recently defeated nation, which had also put paid to its vision of Asian unity: the Greater East Asia Co-Prosperity Sphere. At Bandung, Japan would focus almost entirely on economic matters, leaving geopolitics of India and others. Bandung also undermined to any hopes for an expansion of the fledgling Southeast Asia Treaty Organisation (SEATO). Henceforth, the only viable basis for Asian regionalism would be that organised around and led by Southeast Asian nations. The most concrete expression of this outcome was the formation of ASEAN in 1967. Regional cooperation in Asia is expanding, but it remains within the leadership role of ASEAN.

What role for ASEAN in the era of rising China, India and Japan? ASEAN's performance since the 1997 Asian financial

crisis has been subject to much criticism. But ASEAN is also undertaking bold attempts at reforming itself, partly due to concerns about rising power and leadership potential of China, as well as India. There is no substitute for ASEAN as the hub of Asian regional cooperation, it retains the driver's seat of even the East Asian Community-building process despite China's considerable interest in this framework. China realises, as do the region's other players, that any attempt by Beijing to dominate or set the agenda of Asian regional institutions would backfire, leading to suspicions over its intentions. China can lead, but it will also be led.

ASEAN has focused on reforming itself, including developing an ASEAN Security Community and an ASEAN Charter to strengthen its capacity to deal with conflicts and challenges facing the region. But it needs to develop concrete and credible mechanisms, which would function only if ASEAN members set aside their traditional sensitivities and concern for state sovereignty to engage in mutually beneficial cooperation. ASEAN is not a winning formula in all circumstances, but neither is the European Union, whose constitutional crisis is a case in point. However, ASEAN's experience in developing cooperation does have considerable relevance for other regions, including South Asia and the Gulf.

On a darker note, Asia's ability to lead the world is being undermined by its failure to uphold the values of freedom and democracy at the regional level. To some extent, this parallels the retreat of democracy in the age of terror. The reversals in Thailand and the continuing lack of progress towards a open polity in Burma cannot be glossed over in any credible assessment of the new Asian dynamism. The two leading Asian powers, China and India, have openly backed the military junta in Burma. Asian regional institutions have not made democracy promotion a goal. At a time when regional organisations in

Europe, the Americas and Africa have embraced the norms of humanitarian intervention and the "responsibility to protect", Asia remains the last bastion of Westphalian sovereignty. And until Asia's largest and most powerful nation, China, embraces some form of genuine democracy, the region's flirtation with authoritarian rule will not disappear.

Asia enters the 21st century at a time of immense changes in the international system. But this does not mean that Asia's destiny can be understood from the prism of ideas and debates that have transpired in the West about the future of world order, such as Huntington's clash of civilisations thesis or Fukuyama's end of history thesis. Asia will maintain its own distinctive course, combining aspects of Confucian communitarianism, Kautilyaan realism and Nehruvian liberalism. Its future will be shaped not just by global events and Western ideas, but also by its own historical rhythms, ideas, approaches and internal political/strategic configurations. The essays in this volume are a modest contribution to understanding and making sense of these forces.

Although Asian leadership and the leadership of Asia are the primary themes of this book, a common thread running through most of the essays is the author's four main "biases", which perhaps should be spelt out here for the benefit of my critics. These biases are: relaxed sovereignty, democracy, multilateralism and human security, My emphasis on these issues extends the scope of this book a little beyond the realm of analysis to that of advocacy. But I make no apologies for that, inspired by a belief that they constitute and indispensable requirement for the security and well-being of Asia in the 21st century.

Amitav Acharya
Singapore, 2007

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Contents

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China's Rise and the East Asian Community

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1

China's Charm Offensive in Southeast Asia*

It's a time of hype in China-Southeast Asian relations. During the past year, the prime ministers of Malaysia and Thailand have vigorously denied that a rising China was or would be a threat to Asian stability and prosperity. David Kang argues in the journal International Security that Southeast Asian states may even be bandwagoning with China.

Since the summits of the Association of Southeast Asian Nations, known as ASEAN, and the Asia-Pacific Economic Cooperation last month, newspapers have been full of references to China's charm offensive in the region. And visits to Southeast Asia by President George W. Bush and China's Prime Minister Wen Jiabao have led analysts to contrast Beijing's sensitive approach with America's more heavy-handed one.

China's role in Southeast Asia, however, requires a more careful and long-term assessment.

The changing perception of this role is fed by a number of developments since 1997. These include China's pledge not to devalue the yuan during the Asian economic crisis, its offer of a free trade agreement to ASEAN, a joint declaration on

a code of conduct in the South China Sea, cooperation with ASEAN to combat the Severe Acute Respiratory Syndrome (SARS) outbreak in early 2003 and Beijing's decision to accede to ASEAN's Treaty of Amity and Cooperation in Southeast Asia.

These developments should be judged, however, against the background of three larger realities.

First, China's recent gains are not necessarily at America's expense. There is little chance of Southeast Asia being subjected to a Chinese Monroe Doctrine in which Beijing would deny the region to outside powers like the United States.

Resentment of the Bush administration's unilateralism might put Beijing in a better light as a diplomatic partner. But ASEAN countries like the Philippines, Singapore and Thailand have considerably enhanced their security cooperation with the United States. Manila and Bangkok now enjoy "major non-NATO (North Atlantic Treaty Organisation) ally status" with Washington, and Malaysia is quietly cooperating quietly with the United States on defense. And in coping with the most pressing security challenge, terrorism, ASEAN remains dependent on Washington's help.

Second, further progress in China's relations with Southeast Asia and its security role in the region are subject to several constraints. These include China-ASEAN economic tensions, the uncertain gains of a free trade agreement between China and ASEAN and the continuing misgivings in Southeast Asia about China's military buildup.

Generally, ASEAN is hedging against the rise of Chinese power. Some ASEAN states are still pursuing balancing strategies, both through national means and with the help of the United States and India. Depending on how China behaves, ASEAN may either turn in the direction of trying to balance

China or toward deeper engagement with it but not toward a hegemonic Chinese suzerainty.

Third, the increasing acceptance of China's diplomatic role in the region has much to do with Beijing's decision to work within ASEAN-led processes. Any further progress in China's relations with ASEAN will remain contingent on this approach. Even on the issue of North Korea, China is working within the multilateral frame favoured by Washington.

If China continues to work within the evolving multilateral framework in East Asia, it will make a significant contribution to the prospects for stability in Asia. Encouraging this trend is in Washington's long-term interests as well. Instead of being alarmed by China's diplomatic drive in Southeast Asia and viewing it in zero-sum terms, Washington should see this as a positive development that could help enmesh China in a framework of regional restraint.

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Seeking Security, the East Asian Way*

East Asia's security architecture today has two important characteristics. The first is the resilience of America's postwar bilateral defence arrangements. The second is the weakness of the region's fledgling multilateral security experiments.

On the face of it, bilateral arrangements in Asia seem to have done a better job in adapting to the post-Cold War and post-September 11 challenges than the region's multilateral security institutions.

The United States-Japan alliance has been revitalised against the rise of China and then readjusted to meet the requirements of the war on terror. This and the US-Australia alliance have been used to support America's interventions in Afghanistan and Iraq.

The US has enhanced its bilateral security cooperation with Singapore, securing greater access to military facilities there. Thailand and the Philippines have been accorded major non-Nato ally status by the Bush administration. In contrast, East Asia's multilateral security institutions appear to be struggling.

In the early 1990s, the emergence of a variety of multilateral security dialogues and institutions offered the promise to dilute, if not altogether supplant, the centrality of America's bilateral security arrangements. But the Asian economic crisis that began in mid-1997 put paid to that expectation.

ASEAN, the anchor for Asia-Pacific cooperative security arrangements, was especially hard hit. While it could not be blamed for failing to prevent the economic crisis, its inability to arrest the strategic and political fallouts, including renewed bilateral tensions among its members, was damaging to its credibility as a regional security community.

Lately, ASEAN has recovered some lost ground. Terrorism has spurred greater security cooperation among its members, even though much of it is outside of the formal ASEAN framework. Indonesia has proposed an ASEAN security community. This move at least dispels fears that post-Suharto Indonesia would abandon its commitments to Southeast Asian regionalism.

ASEAN's response to SARS was prompt and effective. But intramural tensions have kept its hands tied, and its leadership role in East Asian security cooperation is slipping away in the face of a more assertive diplomatic posture by both China and Japan.

Security Order

The ASEAN Regional Forum (ARF), the only multilateral security organisation in the Asia-Pacific, has been slow to move from confidence-building to preventive diplomacy. It has had little role in managing the crisis in the Korean peninsula, even though North Korea is a member. Potential alternatives to the ARF, such as the Shangri-La Dialogue organised by the

International Institute for Strategic Studies, have emerged, partly by exploiting the ARF's limitations. The Asia-Pacific Economic Cooperation (APEC) forum, severely weakened by the 1997 crisis, had seen its trade liberalisation agenda overshadowed by the proliferation of bilateral trade deals. APEC has sensibly turned its attention to promoting a human security agenda and fighting terrorism on the economic front.

APEC is the only Asia-Pacific organisation to provide for a heads of government summit. Over the past few years, this has proven to be a timely and important venue for consultations to address urgent regional security issues, such as East Timor (in 1999) and terrorism (in 2001 and this year). The future of APEC may well be decided by its increasing turn towards security issues.

Despite the limitations of multilateralism, however, a security order relying primarily on balancing mechanisms need not be East Asia's destiny.

First, the long-term outlook for America's bilateral alliances remains uncertain. There are serious uncertainties over the future of the US-South Korean alliance, much of it due to growing domestic opposition in South Korea to Washington's hardline stance towards North Korea.

Similarly, the revival of the US-Philippines defence relationship is a move that may not necessarily survive the current preoccupation of both governments with terrorism in the south. Domestic opinion in the Philippines remains predisposed against too close a security nexus between Washington and Philippine security agencies.

The US-Australia alliance remains robust, but Australian Prime Minister John Howard's desired role as something of a local American "deputy sheriff" has not endeared him to the

region and has alienated large segments of domestic Australian public opinion.

Second, America's bilateral alliances have thrived by being adaptive. One aspect of this adaptation is their willingness to become more inclusive, and thereby narrow the political gap between bilateralism and multilateralism. For example, bilateral exercises involving the US and formal treaty allies, such as Thailand (Cobra Gold), now routinely include third-country participation and observation.

Bilateral structures operating under multilateral norms of transparency and inclusiveness may be one of the more important developments in the emerging Asian security order.

Role of China

Third, new forms of regional security cooperation in East Asia are emerging. These include ad hoc and informal multilateral approaches, a prime example being the six-party talks over the Korean peninsula.

Another new development, straddling both economic and security arenas, is the ASEAN Plus Three (APT) framework. The APT challenges the neo-liberal and largely utilitarian view of regionalism represented by APEC. As an East Asian framework, it is more attuned to its members' sense of regional identity than either APEC or the ARF.

This by itself does not ensure the APT's success. A key factor would be the role of China in East Asian regionalism. There has been much talk about a Chinese diplomatic offensive in Asia. Through the APT, China has an unprecedented opportunity to shape the agenda of East Asian security cooperation, perhaps supplanting a weakened ASEAN that is at the same time increasingly dependent on China's markets.

China's growing involvement in multilateralism is a welcome development, and vindicates the strategy of its neighbours and policy advocates who saw engaging China through multilateral institutions as a superior approach to regional order than containing China.

China has been able to use multilateralism as a means to dampen the talk about a "China threat" and discredit containment. In return, ASEAN has gained a Chinese pledge not to use force in the Spratlys and its accession to the Treaty of Amity and Cooperation.

But worries remain whether China will turn its engagement in regional institutions into a lever for regional dominance. Any temptation to use the APT to isolate the US in regional security affairs and dominate ASEAN — which may be natural for a rising power — will undo China's diplomatic gains, spur ASEAN's opposition and Japanese counter-balancing, and doom the APT.

As the fate of Japan's pre-war efforts for a "Greater East Asia Co-prosperity Sphere", the US-sponsored Southeast Asia Treaty Organisation, and the then Soviet Union's Doctrine of Collective Security in the 1970s demonstrate, Asia has traditionally rejected any putative multilateral security structure which is dominated, or seen to be dominated, by any single power.

China will do well to keep that historical lesson in mind.

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There is Room at the Top for Both India and China*

India and China are often described as "historic rivals" in their bilateral relationship, or "natural rivals" for the leadership of Asia. India is also described as a "balancer" of China in Southeast Asia.

Whatever the term, perceptions of rivalry dominate perceptions of interdependence and co-existence between the two Asian giants.

Historic rivals? In a 2000-year relationship, India and China have fought only one war between them — in 1962. In precolonial Southeast Asia, the two did not compete for power, but represented two different kinds of influence which were actually complimentary.

The Chinese influence was more strategic and geopolitical. It included "protection" for smaller states through the tribute system and occasional intervention in local affairs (as evident in Admiral Zheng He's military forays into Sumatra and Sri Lanka).

The Indian influence was mainly ideational, transmitted through religious beliefs and political institutions. This did not

produce the kind of big power rivalry that small states in classical Europe were subjected to, but allowed selective and creative adaptation by Southeast Asians to suit their context and need, and to enrich their own culture and politics.

But today there can be no "back to the future", such as a return to the tribute system (despite some loose talk about this) or to the "Indianisation" of Southeast Asia. Both India and China (along with ASEAN states) show a common belief in the rules of a modern international system, including equality of states and the increasingly controversial doctrine of non-intervention. This regulates and limits their competition. Both are participants in regional institutions geared towards promoting cooperative security and managing economic interdependence.

The geographic factor, one of the most powerful natural causes of war between nations, is conducive to stability in India-China ties. The Himalayas act as a natural barrier to military confrontation. Although the general military balance is in China's favour, the local military balance, often a more crucial determinant of conflict, is in India's favour in the maritime arena.

India's superior sea-denial and sea-control ability in waters close to the critical Southeast Asian/Indian Ocean sea lanes, through which Chinese oil imports and commerce, as much as that of the rest of Asia, must pass, is a critical factor in the region. The latter's strategic environment is after all mainly maritime.

Some Indian strategists would like to confront Chinese power. Memories of the 1962 war aside, they resent Chinese support for Pakistan. This and China's growing nuclear arsenal made for a major reason, if not the only one, for India's own nuclear weapons programme.

India is also concerned about Chinese influence in Myanmar. For their part, Chinese strategists see India as a rival power because of its location and power in the Indian Ocean. As China's dependence on imported oil grows, Indian naval power will bear increasingly on Chinese security concerns.

But there are good reasons why the India-China relationship is not destined to end in war. Both have common security concerns against terrorism and radical Islam in Central Asia. Both are focusing on domestic reform and economic development. India is keen to demonstrate that a democratic Third World nation can achieve significant economic growth and maintain its stability. China is keen to prove that it is possible for a nation humbled by foreign intrusion and internal strife to regain its status as a world power peacefully. Pursuing these core national commitments will set limits on their desire and ability to engage in disruptive confrontation.

Indians are more likely to be slighted by China's failure to recognise India as a great power than feel threatened by Chinese military might or economic clout.

The past years have seen Indians increasingly confident of their ability to withstand competition from China. Foreign direct investment into India pales (depending on the type of statistics used) in comparison to that into China.

But India's capital markets are more developed and it has a better record of attracting institutional investment and creating world-class companies. Some economists argue that lower dependence on foreign direct investment makes growth more sustainable and creates a more "living economy". The rise of China has been a blessing in disguise for India, as it provides the impetus for more domestic economic reforms that enhances Indian competitiveness.

India and China did compete for the political leadership of Asia at the Asian Relations Conference organised by Indian Prime Minister Jawaharlal Nehru in 1947, when China was under Nationalist rule. At the 1955 Bandung Asia-Africa Conference, then-Chinese premier Zhou Enlai, with an unexpected show of moderation and compromise, was said to have "eclipsed" Nehru, who appeared aloof and arrogant.

But Nehru, whose main goal was to ensure that China recognised Asian fears over its support for communist insurgencies in the region, was instrumental in securing Zhou an invitation to Bandung and introducing him to sceptical leaders from non-communist Asia and Africa. And China's diplomatic gains were somewhat dissipated by its continued support, till the 1970s, for communist insurgencies in Southeast Asia.

Since Bandung, neither India nor China has led an initiative for regional cooperation in Asia. Instead, they have accepted participation in institutions developed by their supposedly weaker neighbours in ASEAN. This in itself is a moderating factor in any potential competition for regional influence between India and China in Southeast Asia.

ASEAN should keep this in mind when considering an East Asian Community (which excludes India[1] and the US), a forum in which China shows much interest, and which could tempt China as a potential instrument for leverage in the region.

Both India and China are rising powers. Realists believe that such powers often challenge and disrupt international order.

But both India and China are behaving mostly as status quo powers.

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[1]India was invited to the inaugural East Asia Summit held in Kuala Lumpur in December 2005. But whether it will be part of an East Asian Community remains uncertain.

The most serious effort to rewrite the rules of international relations today is coming not from them, but from the United States.

With free trade and transnational production acting as agents of prosperity, the contemporary international system does make it possible for countries to become wealthy and satisfied without disrupting international stability.

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Can China Lead?*

Following the collapse of the Soviet Union, China's then-paramount leader Deng Xiaoping said: "Some developing countries would like China to become the leader of the Third World. But we absolutely cannot do that — this is one of our basic state policies. We can't afford to do it and besides, we aren't strong enough.

"There is nothing to be gained by playing that role; we would only lose most of our initiative. China will always side with the Third World countries, but we shall never seek hegemony over them or serve as their leader."

Deng's position was to "conceal our capacities and attempt to accomplish something", the latter implying a policy of concentrating China's energies on economic development and national self-strengthening.

But more than a decade and a half later, with its emergence as an economic powerhouse, it is hard to believe China will eschew a leadership role. The question is what type of leadership it would want to exercise.

The issue of Chinese leadership assumes significance in view of the December 14, 2005 East Asia Summit in Kuala Lumpur.

While China has a key place in the summit, it has been cautious about dominating the event.

On the face of it, this situation may be consistent with Deng's dictum. Some would interpret Deng's words as a classic ploy to buy time to build up China's power until it is in a position to assume a hegemonic position.

Two opposing scenarios have emerged regarding China's hegemonic role in East Asia.

One posits a Chinese "Monroe Doctrine", akin to the sphere of influence that the United States built over its southern neighbours in the late 19th and early 20th centuries. The doctrine was exclusionary (especially of the European great powers) and was backed by coercion.

At the other extreme, some have envisaged a return to the Chinese tributary system: a hierarchical but benign inter-state order founded on Chinese notions of its cultural superiority, but offering its lesser members the benefits of trade with, and occasionally protection from, China.

China's potential for regional dominance is growing. It is already the world's fourth largest economy and the fourth — largest trading nation, and moving higher up the ladder.

It has the world's largest standing army — downsized to 2.3 million men by the end of the year, not including the paramilitary People's Armed Police and reserves, which would increase the total to more than 3.2 million. Even by a conservative count, it is the fifth largest military spender in the world.

China's relative power over its smaller neighbours, the 10 members of the Association of Southeast Asian Nations (ASEAN), is staggering. Its gross domestic product in 2002 was double that of ASEAN's, and its military spending was also more than double ASEAN's.

Still, despite China's rising power, neither of the above scenarios is likely to materialise.

An exclusionary Chinese sphere of influence would be resisted by the US, Japan, and India, among others. The old tributary system did not have to contend with such regional multipolarity. A neo-Confucian Chinese regional order would also be inconsistent with China's professed adherence to the modern principles of sovereign equality and non-intervention in world relations.

Just as a Chinese Monroe Doctrine is unlikely in a multipolar Asia, Confucian notions of hierarchy and governance, matters of debate within China itself, are unlikely to find many believers and followers in a multicultural Asia.

In short, America's past will not be Asia's future. Neither will Asia's past be its future.

But there is considerable scope for Chinese leadership in the region, using instruments that are consistent with the modern principles of international relations.

Leadership involves offering public goods and making sacrifices for the sake of collective interest. The US after World War II helped to rebuild the economies of West European nations and Japan through aid, and contributed to the rise of the newly industrialising countries through market access, even at the cost of suffering huge trade deficits. Its security alliances with East Asian nations, especially Japan, helped these nations to develop their economies.

The Chinese market has been a boon for East Asian exporters, and has played a major role in fuelling the doubling of intra-East Asian trade since 1990. China's decision not to devalue its currency in the wake of the Asian financial crisis of 1997 prevented a further aggravation of the crisis.

The most effective exercise of leadership entails not coercion, but consensus-building. To acquire legitimacy, a leader must exercise restraint, especially in dealing with its weaker neighbours. This is the kind of policy that the Suharto-era

Indonesia adopted in 1967 when it ended the Konfrontasi (Confrontation) policy towards Malaysia and helped to found ASEAN.

China has also shown some restraint in dealing with the Spratlys dispute, by agreeing to a Declaration on the Code of Conduct.

China is increasingly engaged in regional institutions like the ASEAN Regional Forum and forging cooperation in non-traditional security matters, such as pandemics and international relief operations, as seen in its response to the Indian Ocean tsunami last year.

These efforts have paid dividends. Public talk of a China threat is much more subdued today than in the 1990s.

But China is not the only country in the region offering public goods to its followers. Japan is not to be discounted. While there is some uneasiness about recent developments in Japanese security policy, Japan remains a significant provider of investment and aid to the region. And the Japanese technological lead over China and other Asian neighbours is not about to be lost.

India is another regional leader, with its strengths in the knowledge economy. Hence, East Asia may not have just a single dominant source of leadership.

Thus, China can and should lead. But its leadership role is less likely to be resisted if exercised through functional and institutional mechanisms than with a neo-Confucian conception of regional order or through an exclusionary sphere of influence.

I believe China's leaders are acutely conscious of this.

5

Sino-Japanese Mistrust Obscuring Shared Vision*

The East Asian Community is a timely and visionary idea. But it also faces daunting obstacles, especially in the current climate of mistrust between China and Japan.

The countries are the two crucial pillars of any East Asian Community. In the 1980s, Japanese investment in East Asia contributed to common prosperity. Now the Chinese economy is assuming the role of regional integrator and will shape the economic future of the region.

First proposed in 1990 by then prime minister Mahathir Mohamad of Malaysia, the idea of an East Asian regional grouping lay dormant due to stiff US opposition and the resulting Japanese hesitance to assume its leadership. The 1997 regional economic downturn gave impetus to it by creating a sense of common vulnerability to financial globalisation. Aid offered by Japan was an important psychological factor behind Malaysia's ability to withstand the crisis while China's pledge not to devalue its currency helped to stave off any further aggravation of the crisis. By contrast, the US was resented for its

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failure to rescue Thailand and its subsequent opposition to the Japanese proposal for a regional monetary fund.

Recent crises such as the Sars outbreak and the Indian Ocean tsunami have reinforced feelings of a shared regional predicament. The Sars crisis moved China closer to the region after Beijing made up for its earlier secrecy over the outbreak by cooperating closely with neighbours in containing the pandemic. And Japan was the largest provider of humanitarian economic aid in response to the Indian Ocean tsunami.

But where economics unites, politics divides. The growing political rift between China and Japan poses the most serious challenge to the East Asian Community concept.

Sino-Japanese relations enjoyed a period of stability following the restoration of diplomatic relations in 1972. This was based on a pragmatic compromise. China agreed to forgo reparations from Japan for the Pacific War.

In return, Japan "deeply reproached" itself for the damage it caused to the Chinese people and recognised Taiwan as a part of China. Both China and Japan pursued a policy of what some Japanese scholars describe as mutual "double standards". The Chinese followed the line formulated by Mao Zedong and Zhou Enlai which distinguished between Japanese militarists and the general populace. While Japan expressed regrets and remorse over the war, its leaders continued to visit the Yasukuni Shrine, where some class-A Japanese war criminals are enshrined.

Sustaining this great compromise was a powerful force: Japanese economic aid to China. Between the 1980s and 2003, China was the second-biggest recipient of Japanese aid, after Indonesia. Yet, Sino-Japanese relations unravelled in the 1990s and worsened significantly in the past few years — a classic action-reaction phenomenon.

In the 1990s, Chinese nuclear tests and military expansion began to make Japan nervous about Chinese intentions. In return, Japan strengthened its alliance with the US, which in turn fuelled Chinese perceptions of renewed Japanese militarism.

Other developments also contributed to the state of mistrust. Taiwan was a critical factor. The growing demand for Taiwanese independence led China to take an increasingly hardline attitude towards any Japanese action that seemed to be empathetic. And Japan's prolonged economic stagnation at a time of China's meteoric rise fuelled Japanese insecurity. North Korea's missile tests and nuclear programme aggravated this insecurity in Japan, and moved Tokyo closer to Washington's strategic agenda.

The Bush administration's war on terror has offered an opportune framework for Japan to carry out political and constitutional changes which have an important basis in its concerns about China. These changes, which would permit an expansive role for Japan's military, have been interpreted by neo-nationalist elements in China as a further sign of Japanese militarism. These forces have also exploited anti-Japanese sentiments over the visits to the Yasukuni Shrine by Prime Minister Junichiro Koizumi and the publication of Japanese textbooks that glossed over Japanese war-time atrocities in East Asia.

But China has not been the only side to indulge in such competitive nationalism. Anti-Japanese demonstrations in China, sometimes tolerated by the authorities in Beijing, have produced a backlash in Japan. Japanese distrust of China has helped push its political system towards growing conservatism, shown in Koizumi's convincing win in the general election.

What is especially ironic is that the two countries enjoy ever-closer economic ties. China today is the leading source of

Japanese imports, and second-largest destination for Japanese exports. Such interdependence would be costly to break for either side and would act as a deterrent to war. But the task of East Asian community-building remains politically and psychologically challenging.

It seems especially ironic that questions regarding Japan's commitment to East Asian regionalism have emerged at a time when China is acting as a keen champion of regional cooperation. After the Pacific War, Japan became an enthusiastic promoter of regionalism (especially at the second-track level) in Asia and the Pacific.

Not only did Japan propose the idea of the Asian Monetary Fund in 1997; four years earlier, then Japanese foreign minister Taro Nakayama's suggestion about using the ASEAN Post-Ministerial Conferences (ASEAN-PMC) as a vehicle for security cooperation was crucial to the establishment of the ASEAN Regional Forum. His present successor, Taro Aso, however has caused controversy with a statement that places Japan's alliance with the US before its interest in East Asian cooperation.

Japan and the US worry about possible Chinese dominance of the East Asian Community. But China has been careful about not throwing its weight around the summit process or setting its agenda exclusively. Beijing needs to keep up with such reassurance, while Japan needs to reaffirm that its commitment to regionalism and its strategic ties with the US are not mutually exclusive. Both need to keep the economic and functional imperatives in their relationship from being undermined by nationalist political posturing. Otherwise, the East Asian Community will remain a pipe dream.

6

East Asian Integration is Test for Big Powers*

In 1999, while recovering from the Asian financial crisis that wreaked havoc on his country's economy, Mahathir Mohamad, Malaysia's then prime minister, claimed that had a regional monetary fund existed, "the East Asian currency crisis of 1997 and 1998 would not have occurred, would not have endured and would not have gone to such ridiculous depths".

The idea of an Asian Monetary Fund had been proposed by Japan in 1997, but like Dr Mahathir's own 1990 proposal for an East Asian economic grouping, it had petered out in the face of stiff US opposition. In his memoirs, James Baker, former US secretary of state, confessed to having done his "best to kill" the Mahathir proposal, even though he took a "moderate line on [the] idea in public".

Is Dr Mahathir's vision about to become a reality? On Wednesday, Kuala Lumpur is hosting the first East Asia Summit, which brings together leaders of the 10 members of the Association of Southeast Asian Nations (ASEAN), plus Japan, China, South Korea, Australia, New Zealand and India. The "East Asia" represented is, of course, a functional and

political concept, rather than a geographic or racial one. Moreover, unlike Dr Mahathir's vision of an East Asia led by Japan, the current framework of East Asian regionalism sees China as the key player.

Abdullah Badawi, the current prime minister of Malaysia, has described the summit as a "leaders-led" summit. This implies that participants will engage in real brainstorming and agenda-setting, not merely rubber-stamp decisions made at earlier meetings of senior officials and ministers. But he could have described the event with greater accuracy as a "leaderless summit", because Asia's big powers — China, Japan and India — are constrained by their rivalry from playing a genuine leadership role. Meanwhile, ASEAN remains weakened by the 1997 crisis.

The summit comes at a time of growing regional economic interdependence. It also reflects a common desire to avert and manage future crises induced by financial volatility, pandemics, terrorism and natural disasters such as last year's tsunami. A successful summit could generate the political will for advancing regional co-operation. Moreover, to its advocates at least, an East Asian framework has greater coherence than unwieldy Asia-Pacific institutions such as the Asia-Pacific Economic Cooperation forum, whose own annual summit, held in South Korea last month, was attended by George W. Bush, the US president.

The exclusion of the US from the East Asia Summit cuts both ways. It projects a sense of East Asian identity, but causes some friends of America to worry about Chinese dominance. Indeed, this concern is what prompted Japan, Singapore and Indonesia to push for bringing India, Australia and New Zealand into the summit.

To be sure, America's concerns about the summit will be well defended by its friends, especially Japan, which under the Koizumi government has strengthened its bilateral security alliance with the US. Japan (as well as India) is interested in developing a future East Asian community through the larger summit framework. By contrast, China would prefer to develop such a community through the narrower ASEAN Plus Three (APT) process, which excludes Australia, New Zealand and India.

Washington has been outwardly cool about the summit. Eric John, deputy assistant secretary of state for East Asia, described the summit as too much of a "black box" for Washington to even realise what it is missing out on. But there remain in US policy circles long-term concerns about a regional grouping that excludes the US.

Last June, Donald Rumsfeld, US secretary of defence, urged advocates of Asian regional co-operation not to exclude the US. In a September speech, Robert Zoellick, deputy secretary of state, warned that American concerns about China "will grow if China seeks to manoeuvre toward a predominance of power [in East Asia]". He instead urged ASEAN, Japan, Australia and others to work with the US "for regional security and prosperity through the ASEAN Regional Forum and the Asia Pacific Economic Cooperation forum".

Hence, the Kuala Lumpur summit is not only a test of the region's ability to engage China without courting its dominance. It may also be a means for some of America's friends to remind Washington of the need to stay involved in the region despite its preoccupation with Iraq and emerging signs of isolationism in the American public.

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7

"Chinese Checkers?" India's Look East Policy*

While attending an international conference in Seoul recently, I sat next to a young Korean university lecturer. On coming to know my Indian origin, he told me: Many young Koreans are now interested in Indian culture, especially Indian religion, philosophy and film. Surprised, I asked why. His answer was simple: Koreans increasingly fear Chinese cultural (as well as geopolitical) domination. Hence, they turn to India.

As a background, controversy between China and South Korea flared in recent years over the publication of a Chinese study claiming that the ancient Buddhist kingdom of Koguryo was a Chinese state. The kingdom existed from 37 B.C. to 668 A.D. and spanned much of what today is North Korea, parts of South Korea and the Manchuria region of Northeastern China. The Chinese study argued that Koguryo paid tribute to the Chinese emperor and was a vassal state, many of whose tribes were absorbed into China.

This claim outraged Koreans, who regard Koguryo as the cradle of their civilisation and which is also the origin of the

word "Korea". The comment from my Korean friend can be seen as a cultural variant of the balance of power game. India is increasingly drawn into the geopolitical balancing game as well. In East Asia among China's neighbours, including Japan and some Southeast Asian nations, India is also seen as a "balancer" to China.

Lee Kuan Yew, Singapore's Minister Mentor, has said that ASEAN countries invited India to the East Asia Summit, which met for the first time in the Malaysian capital Kuala Lumpur last December, because they did not want it to be dominated by China. India is now part of the participation in East Asia Summit. But does it belong in the East Asian Community? "Community" implies a social and cultural relationship, not just a political and strategic one. The man who is credited (or blamed, depending on your perspective) for the East Asian Community idea would not think of Australia and New Zealand, which were also invited to the Kuala Lumpur Summit, as belonging to East Asia. Mahathir Mohamad's original idea of an East Asian Economic Caucus was dubbed as "East Asia without Caucasians". But he also excluded India from East Asia. This had more to do with the political and economic environment of the early 1990s, this being a time before Narasimha Rao launched his "Look East Policy" and India's economic growth and potential were taken seriously in Southeast Asia.

Today, Mahathir's former deputy and political nemesis, Anwar Ibrahim, insists that India is part of the East Asian Community. "These countries in Southeast Asia were once called the Indianised states of Southeast Asia, or the Greater Part of India," he says. Moreover, "ignoring India means ignoring an emerging economic giant and its contributions to the civilisation of Southeast Asia".

The disagreement between Mahathir and Anwar suggests that regions are not geographic or cultural entities, but political

ones. Regions are basically imagined communities, and their boundaries are continuously contested.

Anwar contends that the term East Asia is "a misnomer", and urges the advocates of the East Asian Community idea "to think in terms of a truly Asian, original entity". India was of course very much a part of this "original entity". Under Nehru, it was a co-sponsor of both two "Asian Relations" conferences (in 1947 and 1949), and the the Bandung Conference of Asian and African nations in Indonesia in 1955. Interestingly, five sponsors of the Bandung Conference, India, Pakistan and Ceylon (now Sri Lanka), Indonesia and Burma, were officially known as the "Conference of the Southeast Asian Prime Ministers", or the "Colombo Powers". If India was once part of Southeast Asia, should it not now be a member of the East Asian Community which is spearheaded by ASEAN? Not necessarily. China wants the East Asian Community to include only the Aean members plus China, Japan and South Korea. Japan on the other hand would prefer to see the community to include India, Australia, and New Zealand (and possibly others such as Russia).

Historians of East Asia, such as John Fairbank and Edwin Reischauer, two late professors at Harvard, defined East Asia as the "Chinese culture area". In this conception, only Vietnam from the current ASEAN membership fits the East Asian region. The rest of ASEAN and India would not belong. My conversation with the Korean lecturer told me two things about India's role in East and Southeast Asia.

First, it is important to be careful about bringing history to the table in forging good neighbourly relations. History can be a double-edge sword. It's far better for a Southeast Asian, like Malaysia's Anwar, to make the point about India's civilisational influence in Southeast Asia, than for Indian scholars, not to

mention Indian officials, to belabour the point, in diplomatic gatherings in Southeast Asia.

Second, in its "Look East policy", India should not just focus on the bigger players China and Japan. It should also pay careful attention to the smaller nations of East Asia, including its friends in ASEAN like Singapore and South Korea, which played an important role in the making of the East Asia Summit.

8

Japan's Dilemma: War Dead or War History?*

Indians celebrate August 15 as the date the curtain finally came down on the British Raj. In Japan, the date marks the official end of what the Japanese call the Greater East Asia War (World War II). The coming August 15 could be a turning point in Japanese domestic politics and its relations with its neighbours: China and South Korea.

It is the day when Junichiro Koizumi pays his last visit to the Yasukuni Shrine as prime minister. Since taking charge in 2001, Koizumi has visited the shrine every year, defying Chinese and Korean protests, and claiming it to be a matter of personal choice.

The Yasukuni shrine is a privately-run organisation in Tokyo which honours Japan's war dead (including 2.5 million who died in the Greater East Asia War). But for the Chinese and Koreans who suffered from Japanese imperialism, as well as for Japanese who harbour a long-term guilt over the nation's wartime past, Yasukuni serves as a powerful symbol of Japanese militarism.

The main reason for this is the fact that Yasukuni honours 14 Class A war criminals, including war-time Prime Minister Hideki Tojo. Many people, who would allow for a nation's right to honour its fallen soldiers who took orders from their superiors, are appalled that the leaders who gave those orders are also so honoured.

But Yasukuni is not just a shrine for the war-dead. It also has a museum of war history, called Yushukan. And it is this museum that makes a lot of people uncomfortable because of the way history, especially that of the Greater East Asia War, is presented.

Only the Japanese can visit the shrine itself, but the museum, which has been recently expanded, is open to foreign tourists. There is much in it that is interesting about the samurai nation whose defeat of Russia in 1905 served as a wake-up call to Asian nationalists resisting Western colonialism (a point which is amply stressed in the museum's exhibits). But the related claim that the Greater East Asia War had an even more decisive impact in encouraging Asian independence struggles is more controversial, especially as it is accompanied by pictures of several of Asia's nationalist leaders, including India's Mahatma Gandhi — the presumed beneficiaries of Japan's defeat of Western powers.

Japanese victories at the onset of World War II did inspire Asian nationalists, but Mahatma Gandhi was not one of them. Jawaharlal Nehru admitted to having mixed feelings about the evil of World War II when the Japanese defeated Western colonial powers. In December 2005, former Malaysian prime minister Mahathir Mohamad told a conference in Tokyo that, as a youth, he was motivated by the swift victory of Japanese troops over the British in Malay and Singapore. This liberated him from his "colonised" mindset which had taken for granted British invincibility as a "master" race.

But neither Nehru nor contemporary Asian leaders could have condoned the atrocities that accompanied Japanese victories at the onset of World War II. The museum's narrative on the war leaves one with the impression that Japan was the victim in the War, a nation driven to desperation because of American economic sanctions. One of the worst atrocities of World War II, the Nanjing Massacre, is blamed on the refusal of the local Chinese to obey the Japanese commander's directive, which was presumably aimed only at restoring normalcy in the fallen city.

As Japan goes through the process of choosing a new prime minister, the Yasukuni saga has become a matter of controversy among the different political factions. Foreign minister Taro Aso, a contender to succeed Koizumi, has proposed removing the Class A war criminals from the list of those honoured at the shrine and placing it under state control, so that the emperor of Japan could visit the shrine. His rival and the front-runner for Liberal Democratic Party leadership, chief cabinet secretary Shinzo Abe, supports the prime ministerial visit and himself prayed at the shrine on April 15.

Abe's chances have already been lifted by the North Korean missile tests last July, which stoked Japanese security worries and nationalist feelings. If Koizumi visits the shrine next week, it will serve as an inducement to Abe to maintain the controversial practice. It will also dim the prospects for Sino-Japanese cooperation in containing North Korea's nuclear ambitions.

In recent weeks, there have been revelations that Emperor Hirohito stopped visiting the shrine after it decided to honour war criminals in 1978. A similar gesture from future Japanese prime ministers will do much to ease the current state of mistrust in Sino-Japanese relations. To be sure, this mistrust is not just over the Yasukuni issue. Nor can it be blamed on Japanese actions only. The Yasukuni controversy fuels Chinese

nationalism and supports the legitimacy of the Chinese regime at a time when the official communist ideology is of declining appeal. And China has its own state-sanctioned history books that are seen by its neighbours as distorting its imperial past. But this does not justify visits to Yasukuni by Japanese leaders.

Japan is one of the world's most progressive and civilised nations. Whatever their domestic prerogatives or personal predilections, Japanese leaders should resist the temptation to visit a shrine that honours war criminals and houses a museum that offers a distorted view of its war-time past.

9

The US: Hedging the Asia Bet*

The United States security strategy for Asia today is widely known as "hedging". According to the Pentagon's *Quadrennial Defense Review Report of 2006*, "shaping the choices of major and emerging powers requires a balanced approach, one that seeks cooperation but also creates prudent hedges against the possibility that cooperative approaches by themselves may fail to preclude future conflict".

While this may suggest that the US is shaping the strategic choices of Asian countries, in reality, the US is acting out of necessity brought about by developments over which it has little control. These include the emerging multipolarity of Asia, supplanting both Cold War bipolarity and the so-called "unipolar moment"; the changing perception of China in the region, induced partly due to Chinese diplomacy; the changing purpose of US alliances known as the "hub-and-spokes" system; and the impact of regional multilateral dialogues in shaping regional security norms.

The US hedging strategy is China-centric. It is consistent with the long-standing US goal of preventing the emergence of any "peer competitor". China is the obvious candidate to assume such a role. But the US is not pursuing an outright containment strategy towards China. This is deemed to be unnecessary and would not attract regional support at a time when China is behaving as a "constructive" regional player.

Moreover, containment is more suited to a bipolar international system, such as the Cold War. Emerging Asia, with three simultaneously rising powers, China, Japan and India, is multipolar. In a multipolar region, a natural role for the US would be to assume the role of a "balancing wheel", tailoring its opposition to whichever power may seek to dominate the region in concert with its other great power rivals. But unlike Britain in 19th century Europe, the US cannot be the balancing wheel of Asia, because it is unlikely that Japan or India, the other major powers of Asia, would aspire to regional hegemony, thereby requiring the US to side with China to contain their ambition. Moreover, such a posture would question the credibility of relatively fixed US alliance commitments, especially to Japan.

A hedging strategy combines both balancing and engagement of China, the latter exemplified in the former deputy secretary of state Robert Zoellick's description of China's as a "responsible stakeholder".

One reason for the new approach are changes to US alliances in the region: "the hub and spokes" system. First, some spokes are in worse shape than others. The US alliance with Korea is the most fragile, partly due to Seoul's reluctance to identify with the Bush administration's "axis-of-evil policy" towards North Korea that killed Seoul's own "sunshine" policy. The US alliance with Thailand is also wavering, as Bangkok courts Beijing for economic gain and strategic reassurance. By

contrast, US alliances with Japan and Australia have become more robust, while the US-Philippines alliance is marked by uncertainty due to Manila's fear of a popular backlash against using it too obviously to fight its southern extremists. Neither is the US too keen to give in to Manila's desire to use the alliance to drag it into a confrontation with China over their dispute in the South China Sea.

With some of its traditional alliances in flux, the US is developing new security partnerships, notably with India. But some Indian strategists would prefer to remain "swing players", and not have India automatically side with the US in a confrontation with China. Only Japan can be expected to lend such relatively unqualified support to the US in dealing with China-related threats, but this could change if Sino-Japanese relations improve. Another reason for American "hedging".

The hedging strategy is also shaped by the changing nature of regional security threats. These are transnational in nature and include terrorism, pandemics and humanitarian crises induced by natural disasters. The US security forces in the region are increasingly involved in addressing such threats, sometimes outside the framework of its traditional alliances. Moreover, China is often a partner in such operations. This redefines the purpose of the traditional US alliances and make them less exclusive. As Defense Secretary Donald Rumsfeld stated at the 5th Shangri-La Dialogue in June 2006: "For much of my adult lifetime, security and stability in the Pacific was maintained essentially by a network of bilateral defense relationships between the United States and our allies and partners. This was notably unlike the situation in Europe, where we had a relatively large and more formal alliance — the North Atlantic Treaty Organisation. But now we see an expanding network of security cooperation in this region, both bilaterally between

nations and multilaterally among nations — with the US as a partner. We see this as a welcome shift."

To be sure, the US has not and will not become an overnight convert to security multilateralism in Asia. It soft-pedals its participation in the ASEAN Regional Forum, and is suspicious, if not outright hostile, towards the East Asia Summit, from which it is excluded. But the norms of dialogue and confidence-building developed through multilateral dialogues are one of the reasons why an outright containment of China is politically difficult for Washington, and why a "hedging" is preferable.

II

A Historical Legacy

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10

Myths and Realities
About Bandung*

The historic Asia-Africa Conference held in Bandung in 1955 has received renewed attention due to Indonesia's decision to host a summit of Asian and African leaders in Jakarta to commemorate its 50th anniversary.

Myths about Bandung and its legacy abound.

One: Many accounts of the movement's origins claim falsely that this was where the Non-Aligned Movement's most prominent leaders — India's Jawaharlal Nehru, Yugoslavia's Josip Tito, Ghana's Kwame Nkrumah and Egypt's Kamal Abdul Nasser — first held their conclave.

In reality, neither Tito, nor Nkrumah went there, the latter because of pressure from Britain, who still controlled the foreign affairs of the then Gold Coast (later Ghana). Similar British pressure thwarted initial plans by Singapore's newly elected leader David Marshall from attending.

Two: The Bandung Conference was not an anti-colonial talk-fest, despite the fears of the Western powers, especially Britain

and the United States. They sought to influence the conference by providing friendly leaders invited to the meeting with what the British called "guidance documents" advising attendees to denounce "communist colonialism" and reject the five principles of peaceful co-existence promoted by India and China.

But the five sponsoring countries at Bandung — India, Indonesia, Burma, Pakistan and Ceylon — were careful not to push the anti-Western agenda too far, or to take an extremist anti-colonial or anti-racialist line. Thus, they limited invitations to governments, and did not invite leaders of nationalist movements, not even as observers.

Malaya's Tunku Abdul Rahman was bitter about not getting an invitation, and decided against going as an unofficial observer because this would have been perceived at home as a slight.

Only those colonial issues in which some of the participating countries had a direct interest were raised, such as Palestine and French North Africa by Egypt and West Papua by Indonesia. Nehru did not even raise the matter of Goa.

At the end, the British Ambassador in Jakarta mused: "The conference did not take the opportunity afforded by the presence, in the corridors or in the committee rooms, of agitators from Cyprus, Sarawak, Malaya, and elsewhere to include hostile references to those territories in their final communique."

Another myth about the conference was that it legitimised the Southeast Asian Treaty Organisation (SEATO). The issue of Cold War pacts was a major bone of contention at Bandung. The so-called "neutrals" led by India and comprising Indonesia, Burma and Egypt favoured abstention from great power military alliances, such as SEATO and Central Treaty Organisation (CENTO).

Nehru denounced such pacts as instruments of domination by great powers which threatened the sovereignty, equality and dignity of the newly independent countries. This invited ripostes from the friends of the West — Thailand, the Philippines, Lebanon, Iraq, Turkey and Pakistan.

In the end, the conference recognised the right of individual or collective self-defence, but at the same time called for the "abstention from the use of arrangements of collective defence to serve the particular interests of any of the big powers".

In reality, Bandung exposed SEATO's lack of regional participation and representation. A British assessment concluded: "Any hope that might have existed that additional states could be attracted to SEATO has now vanished."

Another misconception about the conference is that it made no contribution to Asian regional institution-building. This view, held by scholars such as the late Professor Michael Leifer, equates regionalism with European Union-like permanent bodies.

It is true that Bandung produced no such group, but this was never one of its goals. The space was open for sub-regional groupings such as the Association of Southeast Asian Nations (ASEAN). Had there been a permanent post-Bandung organisation dominated by, say, India and China, it might have precluded the emergence of regional groupings led by smaller nations, such as ASEAN.

The main institutional outcome was not organisational, but normative. It expanded and strengthened the Westphalian norm of non-intervention (now much criticised, but then regarded as a bulwark against colonialism and superpower intervention), by creating an injunction against participation in Cold War military pacts.

Moreover, the procedures adopted at Bandung which contributed to its success in producing a communique against most expectations served as the basis for later regional multilateral diplomacy in Asia.

Several aspects of the Bandung process are noteworthy. First, no discussion of contentious issues such as Goa, Taiwan, Cyprus, or Kashmir. Second, no rigid agenda but discussion of subjects of mutual interest in an informal atmosphere. Third, no majority voting but decision-making by consensus. These rules of procedures are not unlike what the ASEAN process came to be identified with.

Adding to the above implications of Bandung, unnoticed by such seasoned observers as the late Professor George Kahin of Cornell University (whose pamphlet of 1957 remains the classic work on the conference, but who did not have the benefit of recently declassified archival materials consulted by this writer), was its limited but important contribution to the Sino-Soviet split.

The Chinese decision to seek negotiations with the US over Taiwan, announced by Premier Zhou Enlai at Bandung, was almost certainly done without consultation with the Soviet Union, which led even such an ardent believer in a monolithic communist bloc as John Foster Dulles to recognise a "certain independence" of China from Moscow.

Bandung was an invitation to China to see itself as more of an Asian power than as a communist one, and by some diplomatic accounts of the meeting found in Western archives, the Soviet Ambassador to Indonesia was the unhappiest diplomat in Bandung.

The Bandung Conference articulated some of the early demands of the developing world which would later assume greater significance in North-South relations. These included

demands for increased freight rates, exchange of information on oil prices, which might have foreshadowed the OPEC (Organisation of the Petroleum Exporting Countries) cartel, and collective bargaining to raise commodity prices (something ASEAN also pursued later).

The Economic Committee of the Bandung Conference also proposed increased intra-regional free trade arrangements (without creating a trade bloc), and recognised the beneficial effects of foreign investment.

To quote an assessment by the British Commissioner-General's Office in Singapore, while the conference had some "bad" outcomes such as "harmful ideas about the desirability of economic autarchy" and blaming their economic plight on "failure of the richer nations to ladle out large and uncontrolled grants for economic development", it found its economic proposals "by and large natural and reasonable".

Bandung did contribute to some negative trends. Pro-Western nations, such as the Philippines, Thailand and Pakistan, which claimed victory at Bandung for the "free world", were blinded to domestic failings which resulted in military takeovers of their political systems.

The sense of confidence gained by regional leaders such as Egypt's young Colonel Nasser (Bandung was his debut on the international stage) and Sukarno of Indonesia (Bandung was the first major international conference organised by independent Indonesia) might have contributed to their regional aspirations. (Although Nkrumah did not attend, he was inspired by Bandung and used it to justify his brand of pan-African interventionism).

When it ended, the conference confounded its sceptics by reaching agreement on a communique "with efficiency and dispatch", as a US assessment would concede, on broad principles.

Witnessing the event, the British Ambassador to Jakarta sensed "the evident feeling of the delegations that the meeting represented a fresh stage in international relations". It did contribute to a relaxation of prevailing global tensions, with some of the most important contributions to this end occurring outside the conference halls: The Sino-Indonesian agreement on dual nationality and Zhou Enlai's offer of negotiating with the US on Taiwan.

Even post-conference US intelligence assessments noted a "change" in the "Cold War climate" fostered by the conference which brought about "renewed hope for avoiding a shooting war" and made "any breach of peace more difficult".

Another assessment noted the willingness of participants to "emphasise areas of unity rather than disagreement".

Given events that shook Asia in the decade after Bandung, such assessments might have seemed premature. But the important point is that Bandung was not irrelevant to the shaping of Asia's regional order, and more generally the international relations of the developing world.

11

Bandung's 1955 Asia-Africa Conference and Indonesia*

Fifty years ago, the Asia-Africa Conference held in Bandung represented the largest ever conclave to date of new states entering the post-war international system. What were its major implications for international and Asian regional order?

Six aspects of the legacy of Bandung are especially worth remembering.

First, Bandung helped to contextualise, uphold and in some cases extend principles of modern international relations. For example, nonintervention in the European states-system permitted great power intervention to restore the balance of power. The idea of nonintervention that gained ground at Bandung permitted no such exception.

Moreover, several participants at Bandung, such as Ceylon and the People's Republic of China (PRC), were not yet members of the UN, hence the experience of regional norm-setting gave them a sense of belonging to the club of nations and offered an alternative framework for their socialisation into the system of states.

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Bandung also advanced some new principles which clarified and strengthened the meaning of sovereignty. First, differing political systems and ideologies should not be the basis for exclusion from international cooperation. Second, while every nation had a right of individual or collective self-defense, regional military pacts that served the narrow or particular interests of the superpowers were an affront to the principle of equality of states and ought to be discouraged.

A third normative outcome of Bandung was the recognition of non-intrusive, informal and consensus-based diplomacy over legalistic and formal organisations which might constrain state sovereignty, an important consideration for countries which had just gained sovereign statehood.

A second major contribution of the Bandung conference was the introduction of the People's Republic of China to the Asian and African community. It gave China an Asian platform which could be a potential alternative to alignment with the Soviet Union. This would sow the seeds of Sino-Soviet split later. Few today would deny the fundamental idea that engaging China is likely to yield more benefits in the long-term than isolating and containing it.

A third outcome of Bandung was the delegitimisation of great power-led military pacts. At the conference, there was a split. On the one hand, a group of countries comprising India, Indonesia, Ceylon, Burma and Egypt favoured abstention from great power military alliances, such as the SEATO and CENTO.

This proved quite controversial, with countries such as Thailand, the Philippines, Iraq, Turkey and Pakistan defending their membership in such pacts. The Bandung Conference accepted the right of individual or collective self-defense, while at the same time calling for their "abstention from the use of

arrangements of collective defense to serve the particular interests of any of the big powers".

To be sure, the principle of collective defense was accepted, but not great power pacts of the type that legitimised great power dominance. The Bandung conference exposed the weak legitimacy of SEATO, in terms of its lack of regional participation and representation.

Indeed, a fourth legacy of Bandung was its indirect contribution to the rise of ASEAN. It made clear that neither India nor China, the two big Asian powers, could or should dominate an Asian regional organisation. The aversion to regional groupings under the hegemonic influence of major Western or Asian powers paved the way for ASEAN, which offered a successful model for relatively less powerful states getting together for mutual benefit. While ASEAN was founded as a grouping of pro-Western governments, it steadfastly refused to be a military bloc. The norm against multilateral "arrangements for collective defense to serve the particular interests of any of the big powers" has endured in Southeast Asia, indeed the whole of Asia, to date.

Fifth, the procedures adopted at the Bandung conference marked the birth of consensus diplomacy among Asian nations. The agenda of the conference was kept as flexible as possible, contentious issues that would divide the conference (such as India-Pakistan) were generally avoided, and the procedure of consensus, rather than majority voting, was adopted.

This bears striking similarities with the ASEAN Way, which came to be known as a preference for informality, avoidance of legalistic approaches and mechanisms found in Western multilateral groups, avoidance of contentious bilateral disputes from the multilateral agenda in the spirit of compromise, the need

for saving face, and above all, the emphasis on consultations and consensus.

Last but not the least, the Bandung Conference would also go down in history as a remarkable feat of organisational success of a young independent nation: Indonesia. Participants and observers (including Westerners), whether speaking privately or publicly, commented favourably on the logistical and residential facilities provided by the Indonesian hosts, not to mention the beautiful physical surroundings of Bandung.

Not only was the idea of the conference proposed by Indonesia (by Premier Ali Sastroamidjojo, who was the chairman of the Conference), Indonesian officials led all the committees, including Roeslan Abdulghani who led the five-nation secretariat which organised the conference. A secret US State Department assessment praised the "efficiency and dispatch" with which the Conference could arrive at a joint communique.

A particularly generous tribute to Indonesia was paid by Jawaharlal Nehru, who has been seen in Indonesia as somewhat arrogant. But Nehru was deeply impressed by Indonesian organisation. Upon his return from Bandung, wrote an impression of the conference to Lady Edwina Mountbatten: "Although there were five sponsors of this conference — Burma, Ceylon, Indonesia, Pakistan and India — and we shared expenses and had a joint secretariat, still a great burden of organising it fell on the Indonesian government. They discharged this remarkably well. I doubt if we could have provided the same amenities in Delhi. Altogether, therefore, the conference was a remarkable success. I think all of us who were there came back a little wiser and certainly with a better understanding of the other."

12

Lessons of Bandung:
Then and Now*

As Indonesia hosts a summit of Asian and African leaders to mark the 50th anniversary of the historic 1955 Bandung Conference, it is worth recalling how worried the western world was when Sukarno, the Indonesian president, hailed the summit as "the first intercontinental conference of coloured peoples in the history of mankind".

The key western concern then was an emerging trend in Asia, led by India's Nehru, to find its own voice in international affairs, especially in a climate of rising anti-colonial sentiment and the emergence of communist China. According to declassified US documents, the Eisenhower administration feared the conference would "enhance communist prestige in the area and weaken that of the west". In London, the British worried that the "mischievous" conference could stir up "problems affecting national sovereignty, racialism, and colonialism".

With the support of Washington, Britain carried out a widespread diplomatic campaign to prevent the emergence of an Afro-Asian bloc, and "to cause maximum embarrassment" to communist China. British "guidance" documents, covering such topics as "communist colonialism" and religious freedom

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in the communist world, were passed to friendly governments attending Bandung, including Ceylon, Thailand, Turkey, Pakistan, Iraq and Iran.

What became clear in the aftermath of the 1955 Bandung Conference was the West's excessive level of neurosis about anti-Western sentiment in what was then labelled the third world. The world has changed considerably since 1955. Some countries that attended the original Bandung Conference, especially in Asia, as underdeveloped nations have since enjoyed high economic growth and prosperity. China is now an economic locomotive of Asia.

Japan, for whom Bandung 1955 was the first big international conference after its defeat in the second world war, is seeking greater political and strategic clout to match its economic prowess. South Africa, excluded from Bandung 1955, is the co-sponsor of Bandung 2005. The widespread mistrust of foreign capital and demands for economic self-reliance that characterised Bandung 1955 have given way to greater receptivity to globalisation. At tomorrow's summit, neither colonialism nor communism will be big issues.

Moreover, no one expects a Delhi-Beijing axis of the type the west so feared in 1955. Instead, growing Sino-Japanese tensions challenge Asian security. But tensions and misperceptions between the west and the rest also remain, especially in a climate marked by rising anti-Americanism in Asia. The Bush administration's slogan: "Either you are with us, or you are with the terrorists", has eerie parallels with Dulles' cold war slogan: "Those who are not with us are against us".

The 1955 Bandung meeting spawned the Non-Aligned Movement (NAM), thereby winning converts to the group of the so-called "neutrals" whose defeat was an important objective of western guidance at Bandung. Today, NAM has lost

its original relevance in a unipolar world. But the Bandung rerun takes place amid rising Asian confidence, spearheaded by China. There is a move to create an East Asian Community that excludes the west. In 1955, Nehru faced resistance in advocating the engagement of China by the west and its Asian allies. Few in Asia today would deny that engaging China is likely to yield more benefits in the long-term than isolating and containing it. But today's sole superpower, the US, is worried that a rising China would threaten its global and regional pre-eminence. Can the west, however, afford to isolate and contain China in the way it attempted in 1955? At Bandung 1955, such tactics backfired. Instead of causing "maximum embarrassment", a British Foreign Office assessment noted, the conference engendered "greater respect and sympathy with communist China". China's gains there were later squandered by its renewed support for communist insurgencies. Today, an economically rising China seeking to become a responsible regional power may have a better chance to lead Asia if the US continues to rewrite international rules to serve its unilateral interests.

Asia also needs to change its ways. At Bandung 1955, it accepted Westphalian sovereignty principles as unexceptionable in the face of communist subversion and superpower intervention. Today, strict non-interference is harder to justify in the face of transnational challenges such as financial crises, terrorism and natural disasters. But while increasingly discredited outside, the non-interference principle remains firm in Asian regional organisations. If Asia is to find a new voice in international affairs, a good beginning would be a decision by the Association of Southeast Asian Nations (ASEAN) not to let its doctrine of non-interference allow Burma's military junta to assume the chairmanship of the organisation in 2006.

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13

Australia and the
Bandung Conference*

Two events in Asia serve as a powerful reminder of the challenges facing Australia in relating to the region. The first is the 50th anniversary of the Asia-Africa Conference in Bandung, being now being held in Jakarta; and the second is the East Asia Summit to be held sometime this year. Australia has not been invited to either gathering (although it was apparently invited to the Jakarta meeting as an observer).[1]

Does it matter? Australia faced a similar predicament 50 years ago, when the original Asia-Africa Conference was held. Australia did not receive an invitation to Bandung 1955, despite having been a party to several earlier Asian conferences, including the Asian Relations Conference in Delhi in 1947, and the Conference on Indonesia also held in New Delhi in 1949.

This time, however, India's prime minister, Jawaharlal Nehru did not seek an invitation for Australia. Nehru, of course, was only one of the five sponsors of the Bandung Conference, the others being Indonesia, Celyon, Burma and Pakistan.

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*First published in *The Canberra Times* on April 27, 2005.
[1]Australia was subsequently included in the East Asia Summit held on December 14, 2005 after signing ASEAN's Treaty of Amity and Cooperation. See Chapter 6.

But Nehru's opinion counted. After all, he was instrumental in securing communist China an invitation to the conference. What explained his attitude in 1955 remains a mystery, although Australia's membership in Southeast Asian Treaty Organisation (SEATO) might have been a factor. Nehru was a bitter critic of SEATO, which he considered a divisive Cold War instrument (although he was not opposed to Anzus).

Instead of securing an invitation to Australia to Bandung, Nehru issued a challenge to Prime Minister Robert Menzies. In his final speech to the Conference, Nehru declared that Australia and New Zealand "were nearly in our area ... not part of Europe, certainly not part of America". He would like these countries "to come nearer to us and be part of Asia ... We do not consider these matters on any racial basis".

Nehru's position was shared by Burma's U Nu. In an interview published in the *New Times of Burma* on 30 April 1955, barely a week after the conference closed, he compared Australia and New Zealand's absence as official participants at Bandung with Turkey's participation (Turkey had been invited at Pakistan's insistence, presumably to balance the neutrals such as India, and played a most vocal role in promoting US policies at the conference). As the *New Times of Burma* paraphrased his words: "If Turkey could consider itself as an Asian nation ... [there] is no reason why Australia and New Zealand should not consider themselves likewise." After all, "Turkey belonged to Europe geographically", while "no part of either Australia or New Zealand fell in the region of the West".

Was Nehru challenging Menzies? Menzies certainly was no fan of the Bandung Conference. Despite Nehru's disclaimer, he saw Bandung as having a racial bias. A British official document of this period has Menzies showing concern that the conference might end up "stirring up colour prejudices". (It did

not; on the contrary, the Australian ambassador in Jakarta D. R. Crocker, observed at the close of the Conference that "the race and colour theme was present, but was not played up".) In reality, Menzies was "annoyed" at suggestions (from the Australian Labor Party) that Canberra should have been invited to the conference. His main problem was not one of Australia failing to get an invitation to attend Bandung, but having to justify his refusal of such an invitation should it have been forthcoming.

The official New Zealand position was described in a US intelligence assessment as being equally negative; in Wellington, noted the report, "officials deplore conduct which supports the view that Australia and New Zealand are Southeast Asian countries rather than Pacific and Western powers".

Not all Australians shared Menzies' feelings about Bandung or being part of Asia. The then leader of the Australian Labour Party, Dr Herbert Evatt, was keen for Australia to be represented at Bandung, a desire which the Menzies government apparently regarded as "mischievous". And two Australians, Professor C.P. Fitzgerald and Dr J.W. Burton (who was described in a secret American intelligence report as a "tool of Chinese Communist propaganda in recent years") travelled to Bandung as unofficial observers and issued a statement to the effect that Australia should have been invited to the conference. A report on the Bandung Conference done by an on-site observer from the Australian Department of External Affairs, noted that the two Australians "added some spice to the meeting", but (to his great relief) did not "appear to have initiated . . . any activities calculated to embarrass the [Australian] government or detrimental to Australian interests". (Did Dr Burton speak to delegates and observers about Australian troops in Malaya, wondered the report however.)

Incidentally, the official observer's report to Canberra was indirectly critical of the Menzies position. "The question of Australia's relationship to the group and to the Asian area generally will inevitably arise again … The impression of the Departmental observer at the conference is that much might have been gained by our participation and little lost. The great majority of the members of the conference would, it would seem, be quite prepared to have us there."

As the report rightly predicted, the question of Australian participation in Asian conferences and its identity as a nation has not faded away. It continues as much to divide Australia and Asia as Australians themselves. Some Asian leaders, Malaysia's former prime minister Mahathir Mohamad in particular, set limits to Australian participation in Asian groups and rejected the view that that Australia could be part of Asia. In a striking replay of the Bandung episode, the Howard Government has not been too keen to identify with Asia, in marked contrast to its Labor predecessor. As the region commemorates the 50th anniversary of the Bandung Conference, it is useful to remind ourselves that even the most ardent champions of Asian unity, such as Nehru, (whose commitment to Asian unity could be scarcely considered to have been less sincere or strong than that of Mahathir) did not see any racial or natural obstacles to Australia being part of Asia. Australians have reason to be upset at Asian leaders who reject Australia's place under the Asian sun, but they might justifiably expect their government to seriously consider the challenge issued by Prime Minister Jawaharlal Nehru 50 years go: "Come nearer to us and be part of Asia".

III

Transnational Dangers

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14

Fighting Terrorism*

Since the September 11, 2001 terrorist attacks in the United States, but especially after the October 2002 Bali bombings, much has been said about the threat posed by terrorism to Asian security. Yet surprisingly, there is little agreement on the extent of the terrorist threat or an understanding of some of the unsavoury implications of the war on terrorism.

According to the US State Department's revised estimates, 37% of the total number of major terrorist incidents in 2003 — altogether 190 — took place in Asia. The Middle East accounted for 20%. But these figures take note only of international, rather than domestic, terrorist groups. Taking into consideration both types of terrorist incidents, the International Centre for Political Violence and Terrorism Research in Singapore puts the total number of incidents in the Asia-Pacific region in 2003 alone at over 400. If true, terrorism remains a serious danger to Asian security, despite the American-led war on terrorism in which Southeast Asia is deemed to be the "second front", and notwithstanding the fact that about 200 members of Jemaah Islamiyah — allegedly the principal source of trans-border terrorism in the region — are now in custody.

It is fair to ask, then, just what have been the benefits to Asia of the war against terrorism?

There are claims that the anti-terrorism campaign has had positive effects in Asia. For example, a preoccupation with anti-terrorism led the Bush administration to soften its initial hardline stance towards China. This in turn improved major-power relations, creating a climate for better managing regional conflicts — one result is the six-party-talks structure to limit the nuclear danger on the Korean Peninsula. And against the backdrop of anti-Taliban operations in Afghanistan, better US-India relations were developed; this paved the way towards New Delhi and Islamabad working on dialogue over Kashmir.

But all that does not mean Asia has not been cagey about the US campaign; nor have gains made been unqualified. China and India disagreed with US justification of the Iraq War as an integral part of the war on terrorism. China remains uneasy about the increased US military presence in Central Asia and about Japan pushing through legislation supporting deployment of its armed forces in the Asia-Pacific and Indian Ocean regions. India has not given up balancing China. While US armedforces redeployments in Asia were conceived independently of the war on terrorism, the Iraq War has made them imperative, thereby creating more strategic uncertainty in Asia. While it is certainly important to fight terrorism — no one complains about this — it is just as important to note the potential for abuse. First, the anti-terrorism campaign has led to renewed justification for internal security laws feared by many. According to the Bernama news agency, US Attorney-General John Ashcroft was thus cited by Malaysia's legal affairs minister, Rais Yatim, in May 2002: "In the context of their own Patriot Act, he endorsed the significance of the ISA," or Internal Security Act.

The labelling of indigenous separatists as "terrorists" distracts attention from the root causes of such movements in neglect and poor governance. Following the American lead in Iraq, the Indonesian military in 2003 may have reframed its operations in Aceh by adopting its version of "shock and awe" against rebel forces and "embedding" reporters to control media coverage. Indonesia also came under international pressure to implement new anti-terrorism legislation that is out of tune with the human-rights aspects of its new constitution.

Then, military action induced by the alleged foreign terrorist links of separatist elements in southern Thailand aggravated local alienation.

In addition, the war against terrorism has strengthened bilateral security cooperation between the US and Asian countries such as the Philippines, India, Singapore and Pakistan. However, bilateral anti-terrorism measures such as intelligence-sharing do not necessarily produce greater regional military trust and transparency. Multilateral organisations like the ASEAN Regional Forum and Asia-Pacific Economic Cooperation forum have been used to respond to terrorism in a limited way. But in focusing on terror, these organisations should not forget their original missions — the promotion of confidence-building, preventive diplomacy and free trade, which in fact hold the key to long-term regional stability.

Fighting terrorism is necessary to maintaining security. But Asia must be on guard that in doing so it does not add to regional instability or discord, or undermine the process of democratisation.

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15

The Tsunami:
Redefining the Region*

As the regional and international community struggles to cope with the fallout of the Indian Ocean tsunami, the disaster has important consequences for regional and international relations.

Two aspects of the tsunami set it apart from other natural calamities that have befallen the region recently.

Most natural disasters, including earthquakes and floods, usually have a localised effect. This one affected several countries (including Indonesia, Malaysia, Thailand, Myanmar, Sri Lanka, India, Maldives and Somalia) at the same time.

The second is the large number of foreigners dying on Asian soil. This may be the largest death toll for Westerners in Asia since the Vietnam War, far eclipsing the Bali terror bombing in October 2002.

One might wonder if the level of global humanitarian concern and assistance generated by the tsunami would have been possible without the loss of so many Western lives, and the vivid images of the disaster in the round-the-clock coverage beamed to the West by the BBC and CNN. But there is no doubt that

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the outpouring of sympathy and support from the world over reflects a genuine sense of shock at the scale of the devastation.

Among its major implications, four stand out. The first is to rethink regional boundaries. The tsunami underscored an ancient link between various areas which were bound together by commerce, migration and transmission of ideas and religions. Colonial rule reshaped the economic, political and intellectual orientations of the countries of the region away from one another and towards different Western metropolises.

During the Cold War, the Indian Ocean rim came to acquire a negative connotation as a region of rivalry and underdevelopment, in contrast to the notion of the Pacific Rim or the Asia-Pacific, which were positively associated with economic dynamism and interdependence.

The tsunami disaster suggests the need to rethink the distinction between South Asia and Southeast Asia, especially when countries that belong to both ASEAN and the South Asian Association for Regional Cooperation have fallen victim to the wrath of mother nature.

Second, the tsunami underscores India's special interest and role in the Indian Ocean area. India is both the third major victim (after Indonesia and Sri Lanka) of the calamity and a significant provider of assistance to the other affected countries. By refusing to accept international aid as well as its own offer of help amounting to $22.5 million to Sri Lanka, Maldives, Thailand and Indonesia, New Delhi is seeking to project the image of a self-reliant major player in the Indian Ocean region, which can help shape the region's security and economic affairs.

Third, the scramble to provide aid among the world's rich and powerful nations to the tsunami-hit countries (totalling some $4.6 billion by January 6) underlies not just a humanitarian impulse. It also underlies an element of strategic competition and political purpose. The United States increased its

assistance dramatically to $350 million after Japan offered a half-billion-dollar aid package. China also raised its aid from $2.6 million to $60 million.

The disaster gives the United States an excellent opportunity to regain a certain amount of goodwill in a region which has seen rising anti-Americanism since the Bush administration launched the war on terror and especially since its invasion of Iraq. It gives the United States a chance to showcase its military prowess, including the formidable aircraft carrier group operating off the coast of Sumatra, as a force of good, rather than as the fangs of raw military might that can topple governments in far-flung regions.

Fourth, the tsunami suggests the need to rethink the meaning of security. Since September 11, 2001, the attention of governments in the West and Asia has been focused on terrorism and the war on terror. Yet, the tsunami is a powerful reminder that other dangers remain and kill in far larger numbers and in wider areas.

Consider some facts. In 1970, a cyclone and tidal waves in then East Pakistan killed 200,000 people and another 100,000 were reported missing (some estimates of the casualties run to 500,000). In April 1991, a cyclone over southeast Bangladesh killed over 131,000 and left as many as nine million homeless. Many thousands of survivors perished from disease and hunger.

And, in October 1999, a super-cyclone on India's Orissa state on the Bay of Bengal coast, lasting 24 hours (most cyclones last about three) killed 50,000 people and left more 10 million homeless, obliterating villages and drowning thousands in 10-metre-high waves.

The fact that tsunamis do not occur often enough is no excuse for inaction, as natural disasters of all shapes and sizes are a frequent occurrence in the region, including Bangladesh, India and Indonesia. According to one estimate, floods in India

claim on average 1,529 human lives and 94,000 heads of cattle every year.

Terrorism — including the most talked-about variety, Al-Qaeda terrorism — kills fewer people, but dominates the national security concerns of governments today. Linking natural disasters with security is far trickier. They are, after all, regarded as a fact of life, "naturally occurring" phenomena with a certain amount of inevitability about them.

This is a mistaken assumption because many natural disasters are man-made and could be prevented or their effects minimised through careful planning and coordination. But natural disasters do not have the dramatic effects of terrorist attacks. They do not engage ideological conflicts, and cannot be framed within such attention-catching metaphors as the "clash of civilisations".

Natural disasters impinge on human security, affecting the under-developed parts of the world especially badly.

Yet, the Indian Ocean tsunami is a wake-up call, a powerful reminder of the need for coordinated and cooperative efforts to alleviate human suffering in an era of growing international interdependence.

Secluding natural calamities may have unwelcome side-effects, such as empowering the military in newly democratising states such as Indonesia, which one must guard against.

Hence, securitisation of natural calamities is best undertaken within a human security framework. But securitisation will also help focus attention and resources on preventing such tragedies and managing their consequences. If this realisation leads to more sustainable long-term cooperation, refocused on human security, then one of the most severe tragedies of our time would have produced a positive outcome.

16

Asia Needs New Ways to Protect Its People*

The international response to the Indian Ocean tsunami has been prompt and generous, and some Asian countries Japan, China, Singapore and India made special contributions. But in general, Asian countries have a long way to go in becoming significant providers of humanitarian assistance in the region, not to mention in the international community at large. Most of the world's major disaster and humanitarian aid agencies, whether secular or religious-based, are based in the West. While Asian countries have their own private humanitarian groups, Asia lags in developing international or regional foundations and charities that can provide humanitarian assistance within and outside the region. Asia also lags in private international giving, which is now a significant international trend. For example, in 2000, international donations by American private charities, religious organisations, foundations, universities, corporations and money sent to relatives amounted to more than $35 billion three times as much as US government aid. At the official level, Asian intergovernmental regional organisations have not really addressed the issue of humanitarian assistance. The

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Association of Southeast Asian Nations (ASEAN) responded to the tsunami by promptly convening a high-level meeting to consider relief and reconstruction. But ASEAN has developed no financial or logistical mechanism of the type that allows the United Nations, the EU and international non-governmental organisations to cope with complex humanitarian emergencies. The tsunami shows the need for Asian governments and their regional institutions, which have traditionally focused on trade liberalisation or security issues like interstate tensions, to focus on human security for the people (as opposed to states or governments), paying attention to non-military threats to survival and well-being, including poverty, environmental degradation and disease.

Dramatically and tragically, the tsunami showed why attention to these elements of security is critical. The tsunami's main casualties were not affluent beachgoers but poor people who lived in villages, slums and shantytowns close to the shore. The tsunami also highlighted why protecting the environment can help protect people: Areas sheltered by coral reefs and mangroves suffered less damage. In the debate over human security, some Asian countries have put forward "freedom from want" as an alternative to the Western notion of human security as "freedom from fear". But with people in poverty-stricken areas developing a new fear of natural disasters, this distinction becomes meaningless. There is now a need to rethink human security in terms of protecting people from natural disasters.

Until now, Asia has resisted the concept of humanitarian intervention, which has been adopted by Western and African regional groupings. Yet, humanitarian assistance and cooperative action in coping with complex emergencies can serve as a new rallying point for Asian regional groups.

The tsunami clearly underscores the need for more focused mechanisms to deal with humanitarian emergencies in the region. The regional tsunami warning system is one such initiative. But regional organisations, in cooperation with international agencies, should also acquire expertise in disaster prevention and management. There is an urgent need for a regional coordination centre for humanitarian aid. Some have suggested the creation of a regional disaster assistance force, but more practically, Asian states could undertake training toward greater coordination of relief efforts, including earmarking necessary resources and joint training of civilians and military forces before disaster strikes. A regional disaster management fund could also be explored. And civil society in Asia should develop mechanisms and institutions for transnational humanitarian assistance. Asian governments could encourage their role by subsidising and supporting such groups.

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17

Winning Means Retaking the High Ground*

With Tom Quiggin†

Five years after the 9/11 attacks, the competing policies in counter-terrorism remain mired in confusion. The military approach has produced mixed results and increased radicalisation. The legalistic approach in Europe needs greater focus and more intelligence-sharing and co-operation to work. There is no international process to develop a diplomatic, intelligence and economic strategy to tackle the problems at its roots. All the while, the moral high ground needed to prevail has been largely lost and with it any hope of real gains.

Terrorism and political violence exist for simple reasons. If the state cannot provide economic and social protection for those living on its territory, then groups that promise salvation will prosper. The "cause" will attract adherents willing to attack stronger opponents. What is critical is that these groups must maintain the moral high ground or their adherents drift away.

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The use of terrorism by an organised group with political aims is asymmetric — the weak against the strong. Al-Qaeda and other jihadist organisations know they cannot win direct confrontations based on power so they seek to exploit weaknesses and concentrate on those points.

An asymmetric conflict cannot be won with brute strength. Knowledge, experience and organisation are the major assets needed to prevail.

Nor is technology an asset. Rather it is often a major vulnerability. Secrecy too, so loved by intelligence services and by governments, is the ally of the weaker power and the enemy of the stronger, more open power. Secrecy is the enemy of knowledge, and with knowledge as a key weapon against terrorism, developed nations are shackling themselves to defeat.

Terrorism and other forms of political violence can be defeated. The approach needed must quickly transcend the typical military responses that follow an attack and must include an ideological, cultural and social response that undermines the terrorist groups' moral positions.

The situation since 9/11 is decidedly mixed, even worsening. The moral high ground has been ceded to the jihadists and they have been quick to use it in their propaganda. The attack on Iraq is seen for what is was, an attack to support regional domination. The prison camp at Guantanamo Bay, itself nearing its fifth year of notoriety, may have had some short-term utility or justification as an emergency response. Now it stands out as the symbol of loss. The photos out of the Abu Ghraib prison in Iraq were a dream come true for the jihadi propagandists. Civilian casualties resulting from the Israeli attack on Lebanon give them further ammunition.

But the US is not alone in losing the moral high ground. In Southeast Asia, separatist tendencies in southern Thailand

have been aggravated by heavy reliance on force. Uzbekistan and Pakistan too have aggravated internal problems, leading to more radicalisation.

We now appear to be living in an age of fear, with many governments exploiting this to carry out agendas that have little to do with terrorism. Ironically, the United States is living with most of this fear. Fear, like terrorism, cannot be defeated with power. Why are we not getting the knowledge and capability that we need to prevail in the struggle against terrorism?

One key problem is there is little to no public debate about the root causes of terrorism or how to battle it. Most public discussion is so overly simplistic as to be ridiculous.

The terrorists, we are told, hate us because they hate our freedom. Yet Bin Laden himself has mocked this. If he really hated freedom, he has said, "Why did we not attack Sweden?" The press and many academics also pursue stories to determine whether an attack such as the July 7, 2005, bombings in London were directed by Al-Qaeda. Yet rarely do we see intelligent debate on how or why home-grown jihadists have become radicalised and how this varies from state to state, independent of any direct recruiting by Al-Qaeda.

Governments and intelligence agencies need to regain the moral high ground in the struggle against political violence and terrorism. Only then will the terrorists be undermined and the agencies of the governments be able to attract agents within the terrorist communities to aid them. If the high ground is not regained, then the best policy for governments is to develop a tolerance for further disasters.

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18

From Beirut to Bali*

The Israeli attack on Lebanon and the ceasefire creating the perception of a Hezbollah victory in the minds of Muslim radicals worldwide could rekindle the hitherto diminishing threat of terrorism in Southeast Asia, or even raise it to new levels. Until now, regional security analysts have disagreed on the extent of the external links of Southeast Asian terrorist and extremist groups. One school saw terrorism in Southeast Asia as internationally-linked and inspired, especially to Al-Qaeda. Others have disputed this, and instead stressed the fundamentally local nature of the phenomenon, rooted in ethnic and separatist conflicts that are a well-known feature of Southeast Asia's postcolonial political landscape. Indeed, most if not all the so-called terrorist groups in Southeast Asia are found in sites where there have been longstanding ethnic or separatist conflicts, as in southern Thailand and southern Philippines. In Indonesia, radical Islamic groups are much more influenced by their animosity towards rival local ethnic groups, such as Poso and Ambon, or their dream to create the Islamic State that they have long sought (as with the old Darul Islam and its offshoot,

Jemaah Islamiyah) than to fight the US. In southern Thailand, despite the occasional discovery of Al-Qaeda tapes or manuals, the claims of an international connection have proven spurious.

But the Israeli attack on Lebanon may change all that. It internationalises, at least in terms of inspiration if not in terms of material or physical support, what has been a predominantly local phenomenon. Moreover, the impact of the Lebanon conflict could create new avenues for networking among Southeast Asian jihadists and help their quest in finding fresh ways to increase mobilisation and recruitment. The inspiration derived from yet another war between Israel and Arabs in the holy land would also give more legitimacy to militant violence at home.

Over the past years, the Jemaah Islamiyah (JI) group in Southeast Asia, described by terrorism experts as the region's most powerful and extensively networked terrorist group, with direct backing from Al-Qaeda, has been in retreat, thanks partly to more effective law enforcement, especially in Indonesia. The so-called Afghan alumni (jihadists trained in camps in Taliban-ruled Afghanistan) which was the backbone of the JI has dwindled in size, fragmented by internal divisions over ideology and tactics and lacking effective central leadership. But the war in Lebanon, featuring massive Israeli firepower and mounting civilian casualties, increases the danger of a new breed of terrorists emerging in Southeast Asia. Media reports have highlighted the danger of scores of angry Indonesian Muslim youths who have expressed eagerness to travel to the Middle East to fight in Iraq and Lebanon. In July, Abu Bakar Bashir, regarded as the spiritual leader of JI, issued an open call to Indonesian jihadis at a rally of the Crescent Star Party in Jakarta to go to the Middle East to fight Israel, which he described as "enemy of Allah". In early August, an Indonesian Foreign Ministry spokesman, Desra Percaya, noted: "We have heard scores of Indonesians

want to go to the Middle East as volunteers to defend the people in Palestine and Lebanon," adding, "The government understands what they are feeling … anger, disappointment and frustration with Israeli troops acting inhumanly and brutally."

While logistical problems and security barriers imposed by governments, including Indonesia, would make large scale movement of Indonesian radicals to the Middle East for training and fighting difficult, there is a danger that those factions within radical Islamic groups who had focused their attention on local targets, whether rival ethnic groups or government forces, would now turn against Western targets. It will galvanise a new generation of younger but less educated radical youth (compared to the relatively well-educated Afghan alumni), who may be even more susceptible to the message of clerics and activists who distort Islamic texts to incite violence.

The carnage in Lebanon wrought by Israeli attacks could not have come at a worse time in so far as the motivating forces behind international terrorism are concerned. The situation in Iraq is sliding inexorably towards a civil war. The Iraq war had already galvanised the anger of radical Islamic elements in Southeast Asia. Their thirst for revenge against Western targets would be significantly aggravated by the Israeli attack on Lebanon. Given the US policy of delaying international action to stop the conflict as a way of giving Israel more time to root out Hezbollah, the war is seen by Muslims as decisive proof of the collusion between Israel and the US that has sustained the occupation of Palestine and oppression of its people.

Moreover, the danger is compounded by the fact that Hezbollah is now seen as having "won" the battle with Israel, which failed to obliterate its most dangerous enemy. The war has dented Israel's war-fighting reputation and hence its

formidable deterrent capability. This may inspire Southeast Asian radicals further, even if large numbers of them do not physically travel to the Middle East. Overall, the Israeli attack on Lebanon, which the US has backed as part of its war on terror, may end of backfiring in the manner of the attack on Iraq and worsen the threat of terrorism in Southeast Asia.

IV

ASEAN: Regressing or Reinventing?

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19

Can ASEAN Lead? An Opportunity Not to be Squandered*

Last week's ASEAN summit in Cambodia was marked by multiple ironies.

ASEAN has been derided for some time now as a useless talk-fest, a dying, if not already dead, organisation. The name-calling, which began with the Asian economic crisis, turned into a mocking laugh with the growing instability of Indonesia, the Singapore-Malaysia squabbles and the terrorist threat to the region.

Yet ASEAN never saw so many suitors knocking on its doors as in Phnom Penh. China signed a framework agreement for a free-trade pact with ASEAN, as well as a declaration (though not a code of conduct) on the South China Sea. Japan concluded an agreement focusing on human resources and investment, with the possibility for a free-trade deal in the future.

And in the most surprising move of all, India offered to negotiate a free-trade area with ASEAN, at its very first summit-level meeting with the grouping.

Why so much wooing of an allegedly sunset organisation, and at a time when ASEAN's economies have come under renewed pressure both internally and externally?

Northeast Asia is now seen as the real hub of Asia's future economic growth, and Southeast Asia as a haven for terrorists, which Western nations are warning their nationals against travelling to.

Even a study commissioned by ASEAN itself disparaged the competitiveness of its economies and cast severe doubts on the progress of its own efforts towards a free-trade area.

One further irony: While one might expect a weakened ASEAN to seek out stronger partners to bail itself out of economic hardship and security threats, in Phnom Penh it was the stronger nations which came to ASEAN's doorstep with initiatives which originated from them, not from ASEAN.

Compare that to the APEC summit in Mexico concluded a week earlier, which saw several absentees among the leaders, for medical as well as political reasons. Its achievements pale in comparison to ASEAN's Phnom Penh show. ASEAN, along with its offshoot, ASEAN Plus Three, has emerged as the more important forum for Asian regional interaction.

A realpolitik view would explain the great power interest in ASEAN by stressing an inexorable security logic.

The moves by Japan and India, even possibly the United States, are in response to China's own courting of ASEAN. The same perspective would explain China's interest in an ASEAN free-trade deal primarily in terms of its quest for enhanced geopolitical influence in the region.

This, after all, is the stuff of time-honoured balance-of-power politics.

But the realists are only half right. The Japanese and Indian interest in ASEAN certainly has something to do with the fear of being sidelined by Beijing's growing economic clout and military might. Some officials and media sources have

themselves noted the value of courting India as a counterweight to China.

But the argument that regional cooperation in economics and security issues is linked inextricably to a balance-of-power dynamic is based on a simplistic and partial understanding of the drivers of regional peace and security.

This is because economics — not the geo-economics of relative gain (win-lose), but the liberal-welfare economics of positive sum (win-win) outcomes — is an important determinant of peace and conflict in its own right.

While trade and security are closely linked, it would be wrong to argue that ASEAN's great-power suitors are offering free-trade deals to ASEAN motivated solely by a desire to pre-empt each other from gaining preponderant influence over Southeast Asia.

These powers all have major economic interests at stake. Apart from securing access to ASEAN's 500-million-strong market, China gains access to raw materials from Southeast Asia. India can use its free-trade offer to ASEAN to neutralise its domestic opponents of a more liberal national economy.

These interests are not necessarily incompatible with the economic and security interests of other great powers and of ASEAN itself.

Another reason for the courting of ASEAN, apart from its combined market potential, is its residual credibility as a regional actor, which its recent woes have not been able to erase. Its record generates the possibility that ASEAN might act again as a cohesive group with a common agenda.

A third reason is a genuine and shared concern against the threat of transnational terrorism. For the first time, East Asia and India have found a region-wide common basis to engage in security cooperation.

Finally, even if ASEAN's great-power suitors are motivated by a competitive economic logic, this is hardly an evil in itself. Free trade and investment, even when born out of an underlying balance-of-power logic, can have pacific consequences, intended and unintended.

ASEAN's free-trade agreements with China, Japan, India and America are not related in a win-lose manner; they can and will produce win-win outcomes for the region as a whole.

But much depends on ASEAN itself. The renewed interest in ASEAN by outside powers can be sustained only if, one, it remains free of inter-state warfare; two, it pushes forward with its own internal economic integration; and three, it displays a capacity to act collectively on the international political stage, especially in managing regional conflicts and the terrorist challenge.

In the face of so many eager suitors, ASEAN can no longer afford to be a house divided within itself and stay engaged in petty intra-mural squabbles linked to domestic political considerations and national pride.

To miss the opportunity that presents itself now would be grossly irresponsible and utterly inexcusable.

20

ASEAN Needs New Tools for New Threats*

In rapid succession, Southeast Asia has faced three critical challenges in the past six years: the 1997 regional economic crisis, the Al-Qaeda terrorist threat and the outbreak of Severe Acute Respiratory Syndrome (SARS). Although the three challenges have different causes, they share some common features. First, they tend to materialise suddenly and rather unexpectedly. Second, they reflect the forces of globalisation at work. The manner in which they spread and their contagion effects attest to this. Third, the sources of these dangers are not exclusively external or internal to the region. Rather, they emanate from external forces interacting closely with the internal vulnerabilities of states.

Financial volatility, transnational terror and infectious disease represent a new breed of transnational threats that are likely to become a recurring scourge of globalisation in the 21st century. Because they are rooted in globalisation, which is an irreversible trend, such perils cannot be defeated permanently. It is more realistic to think in terms of their management, rather

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than eradication. This reality is going to define a new international hierarchy and order in the 21st century.

A New Ball Game

Globalisation dictates three important conditions for any effective regional response system to such dangers.

First, exclusionary and inward-looking responses will not work. No region can afford to be an island. ASEAN would have to remain open for business to the outside world. In fighting the dangers, it has to work with outside countries and institutions, including United Nations bodies like the the World Health Organisation, drawing upon their resources and adapting them to local circumstances.

Second, old attitudes towards sovereignty and non-interference must change. Currency speculators, terrorists and viruses have scant regard for national boundaries. Hence, the old framework of the nation-state is inadequate for responding to transnational perils. Collective action to combat the dangers should be seen not as an abrogation of sovereignty, but rather the pooling of it. Third, intra-regional unity is of critical importance. No single ASEAN member has the ability to manage transnational problems like terrorism or SARS alone.

Divisions and conflicts among the member states, on whatever grounds, impede the development of an effective regional response system. This brings me to the idea of developing an ASEAN security community.

A security community is not a military alliance. As American political scientist Karl Deutsch defined it, a security community is a group of states that have developed a long-term habit of peacefully managing their relations, so that the use of force in resolving intra-mural disputes becomes inconceivable.

Securing Peace

A security community is built upon a large measure of economic interdependence and integration. It is bound together by a sense of collective identity, a socio-psychological "we" feeling.

It is also a platform for collective action against transnational challenges that affect the security and well-being of its members. Since the grouping was founded in 1967, no ASEAN member has fought a war against a fellow member. This is an enviable record which no other regional grouping in the developing world can match.

But the continued progress of ASEAN as a security community has been challenged by several developments. In the 1990s, expansion of membership to include all the 10 countries of Southeast Asia increased ASEAN's political diversity and created a two-tier ASEAN.

The economic crisis of 1997 strained key intra-mural relationships and brought latent territorial and political conflicts out into the open. With the downfall of Mr Suharto, ASEAN lost Indonesia's active leadership and guidance, a key ingredient of its success up till then.

Therein lies the challenge: How to ensure ASEAN does not become a "sunset" organisation, but is transformed into a more mature security community? There are no real prospects for an armed conflict between ASEAN members, although tensions in Singapore-Malaysia relations have been accompanied by some loose talk of war.

Occasional skirmishes on the Thai-Myanmar border have also taken place. The recent mob attacks on Thailand's embassy and business interests in Cambodia are indicative of a competitive nationalism that continues to define relations among some ASEAN members.

There is no intra-ASEAN arms race, but a certain amount of imitation and rivalry does drive arms acquisitions in the region. Such perceptions and ambiguities in intra-ASEAN relationships can and must be completely eliminated.

ASEAN must also develop new institutional mechanisms and practices for coping with such potential sources of conflict, and for meeting external challenges. The resort to the International Court of Justice on territorial disputes and the dispute-settlement mechanisms in the ASEAN Free Trade Area are welcome developments in this regard. But there exists a widespread perception that ASEAN's institutional mechanisms have not kept up with the new challenges its faces.

For example, the ASEAN Troika, announced in 2000 as a potential mechanism for regional preventive action and crisis management, and the provision for a High Council for dispute settlement, adopted in 1976, remain unused.

The ASEAN way stresses informal and non-legalistic approaches to conflict management, but the availability of legal mechanisms would help ASEAN members to depoliticise bilateral disputes. ASEAN must institutionalise and legalise its crisis-management and dispute-settlement mechanisms.

A security community is not a defence community. The latter responds to external military threats that are perceived commonly by its members. ASEAN faces no such common military threats. But the group needs to develop new common measures against transnational non-military perils that affect national and human security.

To be sure, not all ASEAN countries are equally targeted by, or vulnerable to, terrorist groups. Similarly, the SARS crisis has not affected all ASEAN nations.

But these differences are obscured by the burden of geographic proximity and the reality of close economic interdependence. While Al-Qaeda can claim some sympathisers in the

region, the SARS virus has no secret political admirers in the region. Travel advisories issued by foreign governments, and political and strategic risk assessments which guide investor decisions, tend to have a regional, rather than national, impact. Hence, the new transnational challenges can actually help ASEAN to develop effective group response systems that will strengthen it as a regional security community.

Acting as One

The challenge of combating terrorism can be addressed in various ways. The trilateral counter-terrorism agreement originally signed by the Philippines, Malaysia and Indonesia could be made more specific.

ASEAN should also look into the possibility of developing a regional code of conduct on terrorism, and a common ASEAN arrest warrant, which would permit wanted persons to be handed over directly from one judicial authority to another.

ASEAN members should develop a common list of terrorist organisations, create joint investigative teams, develop the practice of sharing data regarding terrorism with an ASEAN police authority, and establish specialist anti-terrorist teams within such a body.

An ASEAN communicable diseases network, providing an early warning and response system for epidemiological surveillance and control of communicable diseases, can help ASEAN in detecting and controlling diseases such as SARS. Such a system could alert public health authorities on outbreaks with greater than national dimensions, and help coordinate ASEAN action.

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21

Strengthening ASEAN as a Security Community*

Unlike Europe, Southeast Asia does not aspire to be what Robert Kagan in his best-selling book *Of Paradise and Power*, would call a "Kantian paradise". Southeast Asians have not forsaken military power in dealing with domestic and external threats, although they have avoided resorting to force to settle intra-ASEAN conflicts.

Strategic competition on matters of national interest has not been abandoned. Yet, Southeast Asia is also a far cry from a Hobbesian world of anarchy ruled by fear and power.

The main reason why Southeast Asia is not a Hobbesian world or a "Balkans of the Orient" it could have easily become is the Association of Southeast Asian Nations (ASEAN). To be sure, other factors have helped. Some would say the benign hegemony of the United States is the key factor. But hegemony can be divisive as well as stabilising. Southeast Asia would have been worse off for its security without two major contributions by ASEAN since its establishment in 1967.

ASEAN's first contribution is moderating inter-state tensions in Southeast Asia, especially between Indonesia and its neighbours, Singapore and Malaysia. Indonesia's role was vital

in this process. As the region's largest nation, its decision to accept restraint in dealing with its neighbours for the sake of their common security and development is a remarkable achievement not found in other parts of the world with a comparable disparity in size and relative power. The stability in inter-state relations offered by ASEAN helped its members to overcome internal challenges such as the communist insurgency and focus on economic development through foreign investment.

ASEAN's second contribution has been to provide a political and psychological cushion to shield the non-communist Southeast Asian countries in the wake of the British withdrawal from East of Suez and American withdrawal from Indochina. This contribution, not so easily remembered today, but becomes apparent if we take a look back at the late 1960s and the 1970s.

Instead of weathering under pressure, ASEAN became the developing world's closest approximation to a security community. A security community is defined as a group of states which have developed a long-term habit of managing their disputes without resorting to violence.

Three main forces contribute to a security community:

First, common threats and common vulnerabilities can be an initial trigger, although these are not sufficient conditions.

Second, economic and functional interdependence produce a spill-over effect in creating peaceful relationships.

Third, states can create and consolidate security communities through deliberate effort at building multilateral institutions. Multilateral institutions spread common values and contribute to a common sense of identity, help to develop habits of cooperation and provide mechanisms for peaceful settlement of disputes.

In the 1970s, these three factors combined to help ASEAN make its journey towards a security community. This quest was helped by the threat of communist insurgency, by emphasising economic and cultural cooperation, and by developing a habit of conflict avoidance through socialisation and identity-building.

For a long time, this effort turned out to be quite successful. But the political climate for regional cooperation in Southeast Asia and Asia Pacific has changed considerably even since the late 1990s.

Three main problems combined to undermine ASEAN's stock in world affairs:

First, membership expansion increased ASEAN's complexity and diversity, underscoring intra-regional economic disparities, created expectations among new members which could not be filled, and strained ASEAN's relations with the West over Myanmar's membership despite its lack of political reform and liberalisation.

Second, ASEAN was confronted with a regional currency crisis. The problem was not whether ASEAN could have prevented the crisis. It was that ASEAN seemed to be a house divided in fighting a common danger which undermined ASEAN's credibility.

Third, ASEAN saw a debate over non-interference. While consensus was preserved in the end, it created the perception of an organisation unwilling to change. Hence, doubts about its capacity to deal with non-traditional threats: Environment, terrorism and now disease.

Today, ASEAN is confronted with new challenges. In the past two years, first terrorism and then the Severe Acute Respiratory Syndrome (SARS) have emerged as the new transnational security threats which have undermined confidence in

the stability of Southeast Asia. A terrorist attack like Bali in October 2002 or the outbreak of SARS are in some ways more devastating than a conventional military attack on ASEAN members.

The relative power of the US has never been more pronounced. American hegemony today is a double-edged sword for ASEAN. Balance of power thinking sees it as a stabilising force, offering reassurance against a rising China and keeping peace in the Korean Peninsula. But dependence on American power also raises questions about ASEAN's own autonomy and relevance.

ASEAN's intra-mural quarrels are a huge distraction. A stricter definition of a security community would preclude mutually threatening arms races, moving to a stage when fortified borders are no longer necessary.

ASEAN is in some danger of being divided by the divergent responses of its members to American ascendancy. America's resources and leadership are vital for ASEAN if it is to succeed in its war on terror.

In dealing with the US, China, India, and other major powers, it is important to bear in mind that ASEAN's assets are not just or even mainly physical, such as its markets and resources, but also ideational. Its unity and credibility is its most vital asset, which is not to be squandered for selfish national considerations.

ASEAN does not need to abandon all its principles and practices to stay relevant. But it must adapt its non-interference doctrine to the changing realities. ASEAN should not shy away from engaging Myanmar in ways that results in an improved political climate, which in turn will enhance ASEAN's international credibility and reputation.

First, an ASEAN security community should not be inward-looking. It should seek the constructive involvement of outside actors and channel their resources for the benefit of the region. ASEAN works best by pooling sovereignty, rather than diluting it.

Second, urgent measures are needed to promote the institutional development of ASEAN. ASEAN has created a Troika, but it remains unused.

Third, ASEAN needs to take firm charge of the ASEAN Regional Forum (ARF) process. The ARF needs new institutional mechanisms as well, including a secretariat. The ARF's approach has been method-driven, emphasising process over the product. It needs to become more problem-driven approach, addressing concrete common challenges such as terrorism and proliferation.

Fourth, ASEAN needs to develop new responses to terrorism and disease. Combating terrorism could be helped by creating a regional code of conduct on terrorism.

While its openness to outside ideas and influences is remarkable, ASEAN is a project conceived for Southeast Asia by Southeast Asians themselves.

If this identity is allowed to wither away through neglect or lack of political will, ASEAN's states and societies will be confronted with the Hobbesian nightmare where the strong get what they want and the weak suffer what they must.

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22

Challenges for an ASEAN Charter*

The forthcoming ASEAN summit in Kuala Lumpur in December is likely to appoint an Eminent Persons' Group (EPG) to guide the development of an ASEAN charter.

The charter is intended as a step towards the establishment of an ASEAN Community by 2020 founded on three pillars — the ASEAN Security Community, the ASEAN Economic Community and the ASEAN Socio-Cultural Community. Does the charter mark a defining moment, or a new beginning for ASEAN?

The United Nations and most regional organisations — including the Organisation of American States, the African Union (formerly the Organisation for African Unity), the League of Arab States and the Gulf Cooperation Council — began life with a charter. Others adopted them at a later stage of their evolution.

For example, the Organisation for Security and Cooperation in Europe adopted its Charter for European Security in 1999, presumably because until then it had functioned as a conference rather than as an organisation *per se*.

Sometimes, the founding treaty of an international organisation can serve as its charter. The European Union did not

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have a formal charter from the outset, although its founding Treaty of Rome, signed on March 25, 1957, and amended subsequently, contains 248 articles, compared to 111 articles for the UN Charter.

The EU has now gone furthest of any regional grouping in legalising itself by drafting a Constitution, although its ratification has been stalled.

The North Atlantic Treaty signed in Washington DC on April 4, 1949, is also known as the NATO Charter. (This is not to be confused with the Atlantic Charter of August 1941 signed by then-US president Franklin Roosevelt and British prime minister Winston Churchill that outlined the principles for a post-war global order.)

Why Have an ASEAN Charter Now?

ASEAN began life with a declaration (The Bangkok Declaration) in 1967 and later a treaty (Treaty of Amity and Cooperation in Southeast Asia) in 1976. This is in keeping with its well-known penchant for avoiding legalism and hard institutionalism. Why does it need a charter now?

A charter is a document that outlines a corporate body's principles, functions and organisational structure. There are three main elements in the charters of regional organisations: a statement of purposes, the basic principles of the organisation and its institutions. Other elements include membership criteria and the rights and duties of member states.

Sometimes, regional groupings issue special charters to cover new issue areas. An example is the OAS' Inter-American Democratic Charter in 2001 to outline procedures for safeguarding democracy in the Americas. Similarly, the EU's

Council proclaimed a Charter of the Fundamental Rights of the EU in December 2000.

Looking at the rationale for an ASEAN Charter, the most important considerations seem to be the deepening and legalisation of ASEAN. Since the end of the Cold War, ASEAN has grown extensively. Its membership has expanded to include all 10 nations of Southeast Asia, fulfilling the original vision of its founding fathers to unite the region. New areas of cooperation have also been incorporated, such as environmental and financial issues as well as counter-terrorism. But this broadening has taken place without the significant strengthening of ASEAN's institutions. Now is the time to change that.

Last August, Malaysian Prime Minister Abdullah Badawi hinted at two possible motivations for having an ASEAN Charter. The first is to create an international legal personality for ASEAN. The other is to provide "the legal framework for incorporating ASEAN decisions, treaties and conventions into the national legislation of member countries".

ASEAN had, in the past, undertaken collective dealing and bargaining with external countries, but a common framework for applying ASEAN decisions to the national level, if realised, will be a significant step towards legalising the grouping.

What are the Implications of a Charter?

At the Cebu meeting of ASEAN foreign ministers last April, a Philippine official stated that having a charter would mean that "whatever agreement ASEAN will make will have a binding effect". But caution is warranted over how far such EU-style institutionalisation would go in ASEAN.

As Singapore's Foreign Minister George Yeo put it then, while there is much that ASEAN can learn from the EU, it is

doubtful if "ASEAN integration will ever reach even half the level of integration in Europe today". One reason why international organisations prefer the term "charter" to "constitution" is that the former usually does not connote the legal force of the latter.

Nor does having a charter necessarily ensure greater effectiveness of international organisations. Many of the regional organisations mentioned above are not necessarily more successful in containing regional conflicts or promoting economic integration than the hitherto charter-less ASEAN.

Whether the ASEAN Charter will have a binding effect or not might well depend on what sort of issue areas it is designed to cover. It is one thing to use it to create greater legal and institutional clout for ASEAN in functional areas, such as economic integration. It will be less easy for ASEAN to develop binding regional provisions covering sensitive issue areas such as human rights or democracy promotion. Here, ASEAN does face an important challenge.

The Joint Communique of the 37th ASEAN Ministerial Meeting (AMM) in Jakarta in June last year did mention the "promotion and protection of human rights" as one of the objectives of the charter, along with other goals, such as the "establishment of effective and efficient institutional framework for ASEAN".

Negotiating binding principles and provisions for the "promotion and protection of human rights" will be a difficult challenge for the EPG, if it decides to pursue this objective.

It is also important to bear in mind that an ASEAN Charter would not necessarily lead to a huge dilution of the group's non-interference doctrine, as some might expect or even hope for. In fact, the opposite could happen, considering that one of the charter's goals, according to the 37th AMM, is to "reaffirm

ASEAN's principles", among which is the "respect for each other's sovereignty".

To the extent that charters are meant to enshrine the operating principles of an organisation, there has to be prior political agreement on to what extent and under what conditions non-interference could be relaxed. In this context, the EPG needs to examine carefully the relevance of ideas such as "flexible engagement" and "enhanced interaction".

The EPG should also explore new modalities for collective action to cope with issues that fall under the domestic jurisdiction of member states.

Another task facing the EPG concerns the relationship between the proposed charter and ASEAN's existing treaties and conventions. Will the charter simply be an amalgamation of existing instruments or will it break important new ground in sensitive areas, such as conflict-resolution?

It is also important that the charter specifies realistic guidelines that might encourage the actual usage by members of extant mechanisms such as the High Council or the more recently adopted Troika meant to trouble-shoot emerging problems within the grouping.

The EPG also faces the challenge of striking a balance between those who would like to use the opportunity afforded by the charter to pursue an ambitious agenda of legalisation and institutionalisation and those who want to tread more conservatively. For example, Malaysian Prime Minister Abdullah had stated in August that the proposed ASEAN charter "need not be an overly ambitious project".

But later, Singapore's Prime Minister Lee Hsien Loong described the objective of the ASEAN Charter as being to "set a clear and ambitious long-term direction for ASEAN".

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23

Regionalism in Singapore's Foreign Policy*

Most analyses of Singapore's foreign policy rely heavily on concepts that speak to its size ("small state"), vulnerability ("survival"), and realpolitik mindset ("balance" or "balance of power").

To quote the late Professor Michael Leifer's book on the subject: "Singapore's leaders have consistently approached the matter of foreign policy from the conventional realist perspective of a small state obliged to cope with a world that was potentially hostile and without common government."

Yet, today's foreign policy takes place in a more complex setting. It combines a range of approaches and instruments, such as interdependence, globalisation, regionalisation, institution- and identity-building, and the use of ideational and intellectual leadership.

For example, one "conventional realist" argument is that economic interdependence is a cause for conflict, rather than cooperation, in international relations. Yet, Singapore has consistently sought to foster greater global and regional economic

interdependence as a tool of foreign policy and national security strategy.

The realist view does not see ideas playing an important role in international relations.

Yet, as Professor Chan Heng Chee notes in her essay for the book, *The Little Red Dot*, published last year by the Institute of Policy Studies, Singapore foreign policymakers have recognised and made full use of the "power and possession of ideas, big ideas in international diplomacy", especially in developing regionalism.

Speaking at the Global Leadership Forum in Kuala Lumpur last September, Foreign Minister George Yeo spoke of the importance of spreading "the ASEAN idea" to the people of the region, "so that we internalise a greater sense of ASEAN citizenship".

And commenting on the first-ever celebration of ASEAN Day on August 8, last year, Prime Minister Lee Hsien Loong urged that ASEAN countries must encourage their "citizens to identify with a broader ASEAN identity", including "a deeper sense of belonging and community, and greater awareness of their common destiny".

Why the emphasis on ideas and identity in the foreign policy of what has been described by many scholars as a hyper-realist state? Mr Yeo acknowledged that, in a historical sense, regional identity would be a useful basis on which to frame Singapore's and ASEAN's response to the rise of China and India.

In his words: "There is a coherence in Southeast Asia which we know exists and grows stronger by the day." This identity comes from Southeast Asia being a "collection of states which lie along the trade routes between East Asia and South Asia, alternately receiving the cultural influence of both, and, more recently, from the West".

While one cannot reproduce the past, the past can be a guide for Singapore in relating to its new regional environment in which China and India are once again major actors.

"Every time the East-West trade flourished, we prospered with it," he asserted.

Hence, to be "a major intermediary between China and India" is Singapore's and Southeast Asia's "historical position and this should also be our future".

But is a regional identity possible? As this author's 2000 book *The Quest For Identity: International Relations Of Southeast Asia* argued, identity-building is a key requirement for cooperation in a region otherwise known for its cultural, political and ethno-religious diversity and has been recognised as such by the leaders of ASEAN since its inception in 1967.

Five years later, the headline of a story in *The Straits Times* on Dec 5 read: ASEAN's Quest for an Identity Gains Urgency. This and related stories reported the results of a survey among 1,000 English-speaking urban residents in Indonesia, Malaysia, Singapore, the Philippines, Thailand and Vietnam which asked, among other questions, whether "people in ASEAN identified with one another". Although the survey found doubts and scepticism about the pace of regional integration, it also revealed that six out of 10 polled answered the above question in the positive.

But only four out of 10 Singaporeans responded positively, suggesting that "Singaporeans are laggards when it comes to willingness to integrate", as the paper put it. But what is really important about this survey is not the number of people who did not agree with the question, but the numbers of those who did.

Moreover, what the survey really showed was that regional identity matters in the foreign policy and international rela-

tions of ASEAN nations, which is not just about power balancing.

Conventional realists like Hans Morgenthau held that the concept of "national interest" is defined mainly in terms of physical power. Similarly, some realists see international (including regional) cooperation as a fundamentally unattainable enterprise or, at best, an "adjunct" to the balance of power imperative.

Yet, in *The Little Red Dot*, former foreign minister Wong Kan Seng lists "the fostering of ASEAN regional cooperation" as the second most important item in Singapore's "national interests", next only to the "protection of its sovereignty and independence" (third was the need to maintain a "stable balance of power in Southeast Asia").

In this sense, Singapore's "national interest" can be redefined in terms of regional cooperation. And, as the thinking and work of Singaporean diplomats like Professor Tommy Koh illustrate, the national interest should and could be reconciled with the common good.

Critics may dismiss statements by Singapore's leaders about the need for regional identity and institution-building as "cheap talk", or lip-service to the idea of regionalism because it comes at little cost. But there is nothing trivial about bringing identity to play in fashioning a response to the rise of India and China, one of the more salient current concerns of Singapore's foreign policy.

In dealing with the rise of China and India, Singapore's leaders have made as much an effort to bring them into a regional multilateral framework as to balance their power through arms and alliances.

Consider Minister Mentor Lee Kuan Yew's recent usage of the term "balance". In an interview with Time Asia, published

last December, he explained the admission of India, Australia and New Zealand into the East Asia Summit was a matter of balancing.

"India would be a useful balance to China's heft", while bringing Australia and New Zealand into the Summit would erase any concern that it was a forum of "Asians versus whites" or an anti-American grouping. "It's a neater balance," he said.

The term balance is used to describe an essentially diplomatic manoeuvre undertaken within the social context of regional institutions. It relies on persuasion, rather than power politics, socialisation rather than exclusion.

If multilateral settings are so essential to attaining a "useful balance" and "neater balance", then multilateralism can hardly be regarded as an "adjunct" to the power politics in the "conventional realist" sense. Instead, institutions are what make the balance of power stable and manageable.

To conclude, the foreign policy of Singapore has not just been about ensuring survival through power balancing, it has also been about carving out a "regional existence" (to use first foreign minister S. Rajaratnam's term) through socialisation within the regional community. While Singapore might have indeed adopted a predominantly realist world view in the initial years of the republic, the city state has increasingly recognised that long-term survival depends on securing acceptance as a social and sociable member of the regional and international community.

Singapore's policymakers, perhaps more so among the new generation of leaders, have accepted the regional idea and identity and found ways to marry it with the national interest.

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24

How to Help Neighbours?
Lessons for India*

The political turmoil in Timor Leste, which has led to the ouster of its Prime Minister Mari Alkatiri and plans for national elections for a new government, may not be exactly hot news to Indians, but it underlies a growing debate about intervention in domestic political conflicts in Southeast Asia that nations of South Asian policymakers should be familiar with.

Timor Leste (total population in 2002: 850,000) gained its independence from Indonesia in 1999. Its birth was marked by major bloodshed — much of it blamed on Indonesian security forces and their local surrogates. After a moment of indecision and paralysis, the international community acted, thanks to an Australian initiative to take the lead in forming an international "coalition of the willing" to undertake military intervention to stop the bloodshed. But the Australian-led intervention raised a number of issues concerning the purpose and mechanisms for humanitarian intervention in Southeast Asia.

Why Australia and not Association of Southeast Asian Nations (ASEAN), which after all, was claiming a leadership role in organising regional security and political cooperation?

In reality, ASEAN's failure to act in East Timor was due to three reasons.

The first was hangover from a policy of indifference to the East Timor issue, partly out of deference to Indonesia, its largest and most influential member, at least under President Suharto. Second, ASEAN still followed a strict policy of non-interference in the internal affairs of its members, a policy not limited to the East Timor problem, but also applied to Burma. Third and no less important, ASEAN lacked a regional mechanism for undertaking peacekeeping and humanitarian missions. Such a mechanism might have compensated for the limited military and logistical resources of its individual members.

Although some ASEAN members, like Malaysia, Philippines, Singapore, Thailand and Indonesia itself, participated in UN peacekeeping operations, most notably in Cambodia in the early 1990s, their capacity to act quickly with a minimum of force was limited.

Indeed, when President Habibie first requested international assistance to stop the massacres in East Timor, he had asked Thailand, rather than Australia, for help. But the Thai government of the day, despite its willingness to help, did not simply have the capacity to act. Several ASEAN member states subsequently participated in the Australia-led operation, but this still undermined ASEAN's credibility as a regional organisation spearheading the management of regional security affairs and providing "regional solutions to regional problems".

The East Timor experience led to calls for ASEAN to develop a regional peacekeeping capacity. But when Indonesia itself proposed an ASEAN Peacekeeping Force in 2003 as part

of its proposal of an ASEAN Security Community, some of its neighbours, such as Singapore, objected, partly out of concern over sovereignty.

But there have been some welcome developments. Last year's peace agreement on Aceh, another troubled Indonesian province, has been followed by a monitoring mission jointly undertaken by the European Union and members of ASEAN (acting on a national basis, however). Moreover, while international response to the latest violence in Timor Leste — requested by Senior Minister and Minister of Foreign Affairs Ramos Horta, who has since assumed the position of Prime Minister of the nation — has again been led by Australia and Malaysia, an ASEAN member, has responded quickly.

In the meantime, the Deputy Prime Minister of Malaysia, Najib Tun Razak, has called for a regional mechanism to respond quickly and effectively to natural calamities like the December 2004 tsunami or the May 2006 earthquake in Yogyakarta in central Java, Indonesia (which, by the way, severely damaged the ancient Hindu temple complex of Prambanan, which had once been restored with Indian assistance).

Exactly what such a mechanism might involve is yet to be worked out. And a regional effort (which incidentally is not limited to ASEAN but could involve South Asia as well) to respond to natural disasters is still a far cry from a regional peacekeeping force to undertake intervention in political conflicts. But at least it is a good start in developing a new mindset among the nations of Southeast Asia as their "brother's keeper".

There are signs that ASEAN members are relaxing their stance of non-interference. For example, they have expressed growing public concern over the lack of political reform in Burma, which would have been unthinkable a few years ago.

South Asia is even further behind ASEAN when it comes to regional action to deal with conflicts within the region. The South Asian Association for Regional Cooperation (SAARC), excludes security issues. Non-interference still rules supreme. The dire situation in Nepal has not led to regional political mediation. Regional peacekeeping and humanitarian intervention in South Asia remains taboo — thanks partly to memories of the Indian intervention in East Pakistan in 1971 (which in many respects was a humanitarian intervention) and Sri Lanka in 1984.

As the largest and most populous nation in ASEAN, newly democratic Indonesia has shown a greater tolerance for outside mediation and assistance in dealing with its own domestic conflicts. Time for the largest democratic nation in South Asia, along with its neighbours, to display a similar change in mindset?

25

How ASEAN Can Tackle Crises*

With Jorge I. Dominguez[†]

A key goal of the Eminent Persons' Group (EPG) tasked with developing the ASEAN Charter is to promote the institutional development of ASEAN to better respond to regional crises. Three basic principles of institutionalisation should be considered:

(1) Usage: ASEAN does not lack institutions, but many of these institutions remain underused.

For example, the High Council provided under the Treaty of Amity and Cooperation and the Dispute Settlement Mechanism under the ASEAN Free Trade Area (AFTA) are yet to be invoked. Neither is the Troika — a crisis management team usually comprising the foreign ministers of the present, past and next chairs of ASEAN — after it was formally provided for in 2001. Hence the real challenge for those drafting the ASEAN Charter is consolidating and rationalising its varied existing mechanisms, and to promote their usage.

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(2) Adaptability: ASEAN's rules and institutions need to be adapted to meet changing threats and challenges. Globalisation presents ASEAN with a number of "transnational" dangers. These challenges come at short or no notice, do not respect national boundaries, and hence cannot be addressed by a single nation. Thus, institutions that go beyond the strict or narrow interpretation of non-interference are needed.

(3) Automaticity: Rules and institutions should be invoked or deployed automatically in the event of a crisis, rather than waiting for the initiative of an individual leader.

Drawing from the above, the EPG could consider the following suggestions, which are especially relevant to ASEAN's crisis management role.

First, ASEAN should create a rule that its foreign ministers must convene within no later than 72 hours of a regional crisis — such as armed interstate hostilities, unlawful ouster of governments, acts of genocide or large-scale loss of lives from political conflicts, pandemics, natural calamities (earthquakes, tsunamis), terrorist attacks, and disruption of sea lanes. The meeting does not have to have any preset agenda. The important thing is that the foreign ministers must meet within 72 hours to discuss the crisis.

The Organisation of American States (OAS) has a provision to convene its Permanent Council — constituted of permanent ambassadors at its headquarters — immediately, and to convene a meeting of foreign ministers or its General Assembly within 10 days of a crisis. A shorter time frame can be considered for a foreign ministers' meeting. Also, the OAS provision is aimed at dealing with political crises involving the ouster of democratically elected governments. The ASEAN provision could be aimed at dealing with a wider variety of crises. Such a special

ASEAN ministerial meeting (AMM) can be convened by any member nation (Option A).

Alternatively, it could be convened by the incumbent chair of ASEAN (Option B).

Whether the crisis is severe enough to warrant a Special AMM will be determined by the chair of ASEAN or the relevant member nation convening the meeting. The advantage of Option A is that it takes the decision out of the particular preferences of the incumbent chair.

The venue of the Special AMM will be specified by the convening member state. To send a strong message of collective political will, it could be held in the capital of the crisis-affected nation or one of those nations if security conditions permit. A related innovation would be to expand the ASEAN Troika to include the ASEAN Secretary-General (as ex-officio member). This will give the Secretary-General greater stature and authority to carry out his responsibilities in the political and security domain.

In addition, the Troika should be made into a standing body, rather than having to be "constituted" by ASEAN foreign ministers each time a crisis breaks out, as is the case under its current provisions. As a standing body, the Troika will be better placed to undertake immediate fact-finding and goodwill missions to crisis areas. The Troika could undertake a fact-finding mission within 72 hours so as to be able to report to the Special AMM. It could also play a role in carrying out further missions and follow-up measures as specified by the Special AMM. It is tricky to decide what constitutes armed inter-state hostilities. These may be defined as armed attack by a member country on another across internationally recognised borders; movement of troops across borders; or direct engagement between the armed forces of two nations over regional maritime or airspace.

At the OAS, the Secretary-General can provide his good offices whenever he determines that armed inter-state hostilities are under way. It is even trickier to decide what constitutes an unconstitutional change of government. First, the rule should apply to the unconstitutional ouster of all governments that are internationally recognised, rather than just democratically elected governments. This is because unlike the OAS, ASEAN has yet to adopt the democratic political system as a requirement for membership in the organisation. A minimal definition of unconstitutional change of government could include military coup d'etat; takeover of an internationally recognised government by armed rebel movements or terrorist organisations; takeover of an internationally recognised government by dissident groups; and an incumbent government's refusal to hand over power to the winning party/coalition of an election determined by the international community to be free and fair.

ASEAN should also consider a few automatic rules in responding to an unconstitutional ouster of government. The first is the non-recognition by all other ASEAN states of the government set up through unconstitutional means. Second, the unconstitutional government may be given up to six months to restore constitutional order. Third, the government concerned should be suspended from participating in the political and security processes of ASEAN (AMMs, summits) pending restoration of constitutional government. Through this, the country's formal membership in ASEAN will continue. Only suspension, rather than expulsion, from ASEAN membership should be possible. As is the case with the OAS, ASEAN can also offer to mediate between contenders, observe a new election, or provide similar peacemaking services.

ASEAN's approach to inter-state conflicts should also be redesigned. ASEAN members prefer to refer their bilateral dis-

putes to international bodies, like the International Court of Justice and the Law of the Sea Tribunal. These bodies are seen as more impartial than the High Council, which, being constituted at the ministerial level, would be a political body. It is proposed that ASEAN supplements the High Council with an ASEAN Conciliation Commission (ACC). This should include eminent jurists and subject experts from both within and outside ASEAN (including retired jurists from international bodies). The ACC could study and advise on specific issues of dispute, and make recommendations for the parties to consider.

Finally, in addition to such principles as non-interference, non-use of force and respect for sovereignty, ASEAN should enshrine the principle of "responsibility to protect" into the Charter, which has gained increased acceptance at the UN. This will provide justification for collective action by ASEAN (often with the support and involvement of UN forces) to safeguard innocent lives in conflicts that involve genocide or large-scale loss of life. The exact mechanism for this role needs to be worked out. It might require a regional peace-keeping coordination system (rather than a standing force). Recently, a regional disaster management system was proposed by Malaysia's Deputy Prime Minister and analysts. This could be adapted into a regional humanitarian assistance device to alleviate human costs of conflicts, such as refugee flows and mass murders.

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26

ASEAN and the GCC: So Similar, Yet So Different*

What lessons can the Gulf Cooperation Council (GCC) and ASEAN learn from each other to promote regional stability and prosperity?

To answer this question, one needs to go back to their origins and development.

At their inceptions — ASEAN in 1967 and the GCC in 1981 — both shared important characteristics.

They were geographically more compact, culturally less heterogeneous and politically of more like-minded members than the membership of earlier larger regional groups such as the League of Arab States or the Organisation of African Unity.

Moreover, both consisted of conservative regimes facing a revolutionary neighbour that threatened to export its revolution and thereby aggravate their members' existing internal security problems.

Thus, the ASEAN members, already faced with the danger of communist insurgency, perceived the threat to become much greater with the communist takeover in Indochina and the unification of Vietnam under communist rule in 1975.

Meanwhile, GCC members were threatened by the over-throw of Iran's pro-West Shah regime and the advent of a radical Islamic regime in Teheran, which made no secret of its desire to export its revolution around its neighbourhood.

Secondly, both ASEAN and GCC members had to contend with a regional power within their ranks: Indonesia in the case of ASEAN and Saudi Arabia in the case of the GCC.

Although both regional powers took a restrained approach to their respective neighbours (ASEAN after the changeover from the Sukarno to the Suharto regime), it nonetheless meant that regional cooperation would only be viable as long as the regional power remained internally stable and externally moderate while also being willing to provide leadership in building regional cooperation.

ASEAN would realise the importance of this factor in the hard way after the overthrow of the Suharto regime in 1998.

Thirdly, at the time of their inceptions, their members were dependent on the United States for security. Although both professed regional autonomy, with the GCC calling for the "Gulfanisation of Gulf security" and ASEAN adopting the framework of Zone of Peace, Freedom and Neutrality (ZOPFAN), this apparent neutrality was a painstakingly maintained veneer to mask and manage the reality of dependence on the US security umbrella.

There is little doubt that some degree of long-term security autonomy was a sincere goal of both groupings, especially after the credibility of the US security commitment in their respective regions could no longer be taken for granted (ASEAN after the US withdrawal from Vietnam and GCC after the Carter administration's perceived failure to support the falling regime of the Shah).

But achieving a modicum of security independence called for an activist diplomatic track in managing existential threats to regional order, and developing a long-term diplomatic capacity for both intra-mural and extra-mural conflict management.

But here the parallels ended.

Different Strokes

In their subsequent evolution, ASEAN adopted a much more vigorous diplomatic approach — both at the UN and at the regional level — in managing the Cambodia conflict from 1980 to 1991 than did the GCC in dealing with the Iran-Iraq war, whose outbreak in 1980 was itself a catalyst for the GCC's formation.

More importantly, ASEAN from the beginning maintained an inclusive approach to Vietnam, promising eventual reconciliation if and when Vietnam were to end its occupation of Cambodia.

By contrast, the GCC's role in seeking a diplomatic solution to the Iran-Iraq war was insignificant.

A major difference in the security approach undertaken by ASEAN and the GCC was with respect to defence cooperation. ASEAN shunned defence cooperation except at the bilateral level, focusing instead on diplomatic networking and developing political habits of conflict avoidance and management.

By contrast, the GCC developed a more formal mode of military cooperation, creating a joint force called the Peninsula Shield. It failed to develop a serious modus vivendi for long-term reconciliation and partnership with Iran and Iraq. In fact, its greater sense of common cultural identity proved to be a liability in dealing with Iran, a non-Arab state, than ASEAN's

more contrived but functional regional identity which reflected the region's historic tolerance for ethnic, religious and cultural diversity.

Thus, soon after the Cold War ended, ASEAN moved quickly to reward Vietnam's withdrawal from Cambodia by conferring on it membership in the organisation.

Pursuing a "One Southeast Asia" concept, ASEAN during the 1990s became synonymous with the whole region of Southeast Asia. No one can seriously envisage renewed conflict between Vietnam and the non-communist ASEAN members now.

Meanwhile, the GCC's relations with its two powerful neighbours worsened, posing serious security challenges to its members.

Iraq's Saddam Hussein regime not only continued to hold the GCC members in contempt despite receiving generous aid from them for its war against Iran till 1988, but bolstered also by Western support during the Iran-Iraq war, Saddam revived Iraq's irredentist claims on Kuwait, resulting in its disastrous invasion of Kuwait in 1990 and the US-led war in 1991.

What about their respective relationships with external powers?

ASEAN had from the very outset developed close economic and diplomatic ties with the major Western powers. After the Cold War, this relationship was extended to Russia, China and India. In effect, ASEAN acted as a healer for the Cold War divide in its own region. It also played a key role in the development of wider, more inclusive regional institutions, such as the Asia Pacific Economic Cooperation, ASEAN Regional Forum, the ASEAN Plus Three, and the East Asia Summit.

This cooperative security approach has paid dividends in fostering a more constructive relationship with China, the

region's emerging power, which has the potential for regional hegemony.

Indeed, many of the new regional institutions are based on the ASEAN model, and have ASEAN in the driver's seat.

While the GCC remained somewhat inward-looking, ASEAN, despite the comparable smallness and vulnerabilities of its members, and their lack of wealth compared to oil-rich GCC members, has been willing and able to adopt an expansive diplomatic approach which led to its emergence as the hub of diplomatic socialisation for the entire Asia-Pacific region.

Today, the two groupings face many similar challenges, including energy security, terrorism, globalisation and domestic demands for political change.

Both have taken measures to liberalise intra-regional trade. The GCC could usefully look at ASEAN's wider schemes for regional economic integration with China, India and Japan as a way of inducing stable and predictable relations with its own larger neighbours.

Both groupings face growing pressures to relax the doctrine of non-intervention. ASEAN, after having rejected a proposal for "flexible engagement" in 1998, is now less shy about commenting on the domestic political situation in Myanmar.

ASEAN has embarked on developing a regional security (as well as economic and socio-cultural) community, and a legal personality through an ASEAN Charter. A sense of ASEAN regional identity is emerging. ASEAN's growing institutionalisation, community-building and identity formation, developed through socialisation rather than shared culture *per se*, should be of interest and relevance to the GCC in dealing with Iran and other neighbours.

ASEAN members can receive from their GCC counterparts much useful insight into Islam as a way of life, thereby helping

to overcome misperceptions that may contribute to internal strife in their own countries.

The GCC members can also help ASEAN with energy security, which poses a serious threat to regional economic stability.

Finally, ASEAN and GCC can together serve as the institutional bridge to advance the Asia Middle-East Dialogue, which was inaugurated in Singapore last year.

27

The Return of "Flexible Engagement"?*

The leaders of the 10-member Association of Southeast Asian Nations (ASEAN) will gather in the Philippines city of Cebu on December 10, 2006 to consider a variety of issues facing the organisation. One issue high on the agenda is the recommendations of the Eminent Persons' Group (EPG) on the ASEAN Charter. This could be a critical moment for the organisation, which will celebrate its 40th anniversary next year.

Despite facing many challenges since its foundation, ASEAN has proven that its a durable regional entity. But is it effective in dealing with challenges it faces today? One thing is certain, challenges ASEAN faces today are far more complex than the situation which accompanied its birth 40 years ago. Then the world was divided into two geopolitical blocs and the main security threats facing ASEAN members came in the form of domestic insurgencies or inter-state conflicts. The main concern of the nascent regional grouping was the protection of state sovereignty and territorial integrity. In today's world, the challenges facing ASEAN are transnational in nature. They may

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*Unpublished commentary, December 2006. Since this comment was written, Surin Pitsuwan, the author of *Flexible Engagement*, has been nominated to be the next ASEAN Secretary-General from January 2008.

arise from within the boundaries of one state, but have a rapid spill over effect affecting an entire region or beyond. Recent examples of this include the Asian financial crisis in 1997, the Severe Acute Respiratory Syndrome (SARS) epidemic in 2003, the Jemaah Islamiyah (JI) challenge in Southeast Asia, and the dangerously unhealthy pollution caused by forest fires in Indonesia a few weeks ago. While state sovereignty is still important and must be guarded against outside pressure or encroachment, it is no longer be possible to adhere to a strict understanding of the non-interference doctrine if ASEAN is to be serious about addressing these transnational problems.

Seven years ago, at the ASEAN ministerial meeting in Manila held in July 1999, Surin Pitswuan, the then Foreign Minister of Thailand, called for the organisation to change its mind set from non-interference to "flexible engagement". The idea was not to abandon sovereignty. That would have been, in his view, dangerous and unacceptable. But what he had in mind was for ASEAN to come forward to deal with problems which may arise from within the boundaries of a member state, but whose effects may encompass its neighbours and the entire region. ASEAN should not shy away from dealing with such issues by hiding behind the principle of non-interference. Flexible engagement is about open and frank discussion about such issues, leading to cooperative solutions — a pooling of sovereignty rather than its dilution — that would make Southeast Asia a secure and prosperous region.

Although there were many sceptics of Surin's proposal, it did not die away. Today, ASEAN is more and more engaged in addressing transnational problems: Witness its willingness to talk to the government of Myanmar about its internal political situation, and its rapid response to the outbreak of SARS and the Indian Ocean tsunami.

The current effort to draft an ASEAN Charter could further enhance ASEAN's ability to deal with transnational problems. But the Charter, in order to be credible and meaningful, must find ways to allow member states to set aside traditional concerns about state sovereignty and seriously engage in dispute-settlement and problem-solving. It must provide concrete mechanisms for conflict-resolution, and specify ways in which ASEAN can use its existing instruments, such as the ASEAN Troika, for rapid reaction to unfolding regional crises.

ASEAN is finally waking up to the need for flexible engagement. But much remains to be done. ASEAN's response to the recent haze over Southeast Asia left much to be desired. Such disasters are entirely preventable through concerted regional action, and must not be allowed to happen again. Indonesian rain forests are not just a national heritage, but also a regional public good. Just as Indonesia is proud to "provide oxygen" to its neighbours, it should also be prepared to seek and receive help in preventing the transmission of dangerous toxins that spread through the sustained haze. Indonesia's neighbours ASEAN has a moral obligation to preserve this common heritage.

There is still no consensus in ASEAN as to how to deal with human rights issues in the region. ASEAN members face humanitarian crises on an almost daily basis, but a regional humanitarian assistance mechanism is yet to be formalised. The fight against terror has brought ASEAN members together, yet, genuine multilateral cooperation has proven to be difficult due to political sensitivities and conflicts.

To be effective, the ASEAN Charter must chart a new course in Southeast Asian regionalism. It must combine the traditional focus of ASEAN members on national security with a new emphasis on human security. ASEAN also must offer more

space for the voices of its people, rather than its elites. And it must come to the conclusion that sovereignty today is a changing concept, and must not be allowed to stand in the way of cooperative action which will benefits both its individual member states and the community as a whole.

28

A More Ambitious ASEAN Faces Crucial Test*

As ASEAN prepares to celebrate its 40th anniversary, it faces a crucial test that could fundamentally change how it has worked for the past decades.

ASEAN's founding fathers — mindful of their newly gained independence from Western colonialism — created an informal club of nations. It operated by consensus, and avoided legalistic procedures as well as binding decisions.

Members could not be penalised if they refused to honour agreements.

This could all change now if the recommendations submitted late last year by the Eminent Persons Group (EPG) are incorporated into an ASEAN Charter. These recommendations include:

• Strengthening ASEAN's organisational structure and capacity. The ASEAN Secretary-General should have ministerial rank, with the authority to sign agreements on behalf of ASEAN in non-sensitive areas and represent ASEAN in the UN (where it only has observer status).

- There will be four (instead of the current two) deputy secretary-generals, a professional staff, as well as an ASEAN Institute to provide research and analytic capacity.
- The ASEAN heads of government meeting will be turned into an ASEAN Council, and will meet twice a year. Each of ASEAN's three communities — economic, security and socio-cultural — will have their own councils.
- Decision-making by majority voting. ASEAN should depart from the consensus principle, if necessary, in non-sensitive areas (meaning, excluding security and foreign policy issues). It can go for majority voting, either a simple majority, or a two-third or three-quarter majority.
- ASEAN could use "ASEAN minus x" and "two plus x" formulas to undertake cooperation if consensus cannot be reached over a particular issue.
- Compliance through sanctions. Compliance with ASEAN's objectives, principles, decisions, agreements and timetables, should be monitored.
- Members found to be in "serious breach" of them will be taken to task.
- They may be deprived of their membership rights and privileges, or, in extraordinary circumstances, may even be expelled.
- Dispute-settlement. There should be dispute settlement mechanisms in all areas of cooperation, especially economic and political areas.

Currently, the ASEAN Free Trade Area has its dispute settlement mechanism, and ASEAN's Treaty of Amity and Cooperation (1976) provides for a high council to deal with disputes in political and security fields, although it has never been used.

The report also articulates a long-term vision, which goes beyond the notion of an ASEAN Community. It calls for an ASEAN Union.

These recommendations are of far-reaching significance. They have the potential to make ASEAN more effective in face of new transnational dangers, such as terrorism, financial crisis, natural calamities and epidemics, which defy national boundaries and unilateral remedies.

But there are a number of barriers before ASEAN can reach such a stage.

First, much depends on how many of these more radical recommendations will be actually incorporated into the ASEAN Charter by the intergovernmental panel that is drafting the actual Charter. It is quite possible that some of them could be dropped or diluted.

Second, and concerning dispute-settlement, will member states take their disputes to ASEAN when there are global bodies, like the International Court of Justice, available?

It depends on whether members see the ASEAN dispute-settlement mechanism as an impartial and professional body.

I suggest that the committee drafting the charter use language that urges members to seriously consider taking their disputes to the relevant ASEAN mechanism first, before going to world bodies.

This will be consistent with the relationship between the UN and regional organisations, which makes regional organisations as the first port of call on local breaches of peace and security, before they are referred to the Security Council.

On the use of punitive measures for non-compliance with ASEAN principles or agreements, decisions on such matters are left to the ASEAN Council.

But will the council act to enforce compliance by suspending a member, especially when such decisions can only be taken by consensus rather than majority vote?

On such matters, the council is likely to act as a political, not legal body. ASEAN members have worked hard to keep their interactions non-adversarial and non-threatening. It will not be easy to change this to a culture of compliance through sanctions.

The EPG report lists a number of objectives and principles for ASEAN to be incorporated into the charter. These are too many: 19 objectives and 23 principles. Many are vague and overlapping.

Presumably, this is an extended menu, and not all could find their way into the actual charter.

In the latter, fewer objectives or principles should be mentioned, with greater clarity and specificity about them.

The EPG report calls on ASEAN members to "calibrate" the non-interference doctrine to deal with problems "where common interest dictates closer cooperation".

What would this mean in practice? There will always be members who would forbid outside interference, even help, on matters where national security or pride is at stake (such as the haze issue for Indonesia).

The charter could give more legitimacy to the EPG's call for calibrated non-interference by expressing it through the principles and objectives of ASEAN. A legitimising formula, such as "the decision to give up sovereignty as an exercise of sovereignty", is called for.

Moreover, ASEAN needs to create specific institutions that will have the mandate to act supranational and thereby give concrete expression to the desire for recessed non-interference, like a regional peacekeeping force, regional disaster assistance

mechanism, regional human rights body, a regional fire brigade and so on.

Otherwise, this objective will remain politically controversial. Reaching agreement on whether and what conditions non-interference should be relaxed will not be easy.

The EPG report also mentions promotion of human rights and human security, as well as respect for international humanitarian law, among the goals and functions of ASEAN.

This is very worthwhile and represents an advance on the more state-centric conceptions of security in the founding documents of ASEAN.

The challenge once again is whether these normative aspirations will be actually held in practice, and whether institutions are created to monitor violations and encourage of these principles by member states.

Will the call for respect for human rights and upholding of democratic values, as well as involving civil society organisations in ASEAN decisions (to create a "people's" ASEAN), be upheld in practice when several members do not have democratic political systems?

As the EPG report puts it: "ASEAN's problem is not one of lack of vision, ideas and action plans. The real problem is one of ensuring compliance and effective implementation of decision."

The EPG report proves that ASEAN is indeed not short of ideas and vision.

The main challenge for ASEAN now is to ensure that these visions are implemented, and the rules and procedures of the new ASEAN complied with.

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V

Democracy and Regional Order

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29

Between Confucius and Kant: Democracy and Security*

An important transition is taking place in Asia which will profoundly affect its security order in the 21st century. For much of the Cold War period, a small but influential elite argued that authoritarian or semi-authoritarian regimes focusing on growth and development ("performance legitimacy") could better ensure domestic stability and regional order than fragile and instability-prone democratic ones. While Western security thinking progressively embraced a neo-Kantian vision of world order resting on three primary pillars — economic interdependence, international institutions and liberal democracy, the dominant Asian paradigm, with neo-Confucian underpinnings, posited a positive correlation between political stability (strong authoritarian state), state-directed economic growth, and balance of power dynamics (backed by US forward military presence).

But the foundations of this supposedly neo-Confucian paradigm are being gradually eroded. This transition was apparent in some respects towards the latter stages of the Cold War. Emphasis on growth fuelled by economic nationalism of the

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1960s and 1970s had led to interdependence and market-driven regional integration in the 1980s and 1990s. Then there was the shift from an almost exclusive reliance on US-led balance of power to an embrace, however tentative, of security multilateralism in the 1990s.

Now, at the dawn of a new century, a shift could be taking place in so far as the third leg of the Kantian paradigm is concerned. Following the Asian economic crisis, neo-Confucian modes of thinking about regional stability were put on the defensive. The Asian values construct was discredited. Instead, we saw greater recognition in the region toward of the peace-inducing impact of democratisation.

But this view is by no means uncontroversial. Of late, the relationship between democracy and peace has attracted a great deal of debate. Proponents of "democratic peace" theory, and its many variations, hold that a world (or region) of democracies is more likely to enjoy stable peace than a world (or region) of autocracies, largely because of the tendency of democracies not to fight one another. Challenging this view, critics have pointed out, among other things, that while mature democracies may seek peaceful relations with other mature democracies, the process of democratisation itself can aggravate feelings of exclusionary ethnic nationalism, which in turn can lead to greater conflict between states within a given region.

While the controversy surrounding democratic peace theory has received much international attention, Asia has figured minimally in these debates. Yet, this region could provide one of the most important challenge to, and test of, the theory, (and related policy instruments which flow from it) in the coming decades. Given that Western governments have enthusiastically embraced democratic peace as the new ideology of the post-Cold War era, Asia's challenge to democratic peace will

be a key determinant of regional and world order in the 21st century.

Until now, Asia provided plenty of evidence that democracy need not be an essential condition of regional order. ASEAN's success in reducing intra-mural conflicts since 1967 had shown that group of authoritarian or semi-authoritarian states can just as well develop a long-term habit of peaceful interaction through multilateral institutions as a group of democratic states as in the case of the European Union. But this view looks less persuasive today as ASEAN heads for a period of uncertainty with faith in its ability to manage regional conflict greatly reduced.

Analysis can still point to the harmful effects of democratisation on regional stability. Recent democratisation in Southeast Asia encompassing the Philippines, Thailand, Cambodia and Indonesia, they could argue, is undermining the traditional pillars of regional order in ASEAN, of which the doctrine of non-interference counts as one of the most important elements. The fall of Suharto not only deprived ASEAN of a strong regionalist leader but also caused much instability and invited international humanitarian intervention in East Timor. The Thai democratisation process bred a vocal group of NGOs challenging the military junta in Burma, thereby compromising ASEAN's policy of non-interference (or Constructive Engagement). And in East Asia, democratisation in Taiwan aggravated cross-Strait tensions by fuelling aspirations for independence on the part of Taipei's new leaders and thereby generating nationalist hysteria in the mainland.

Yet increasingly, political trends in Asia appeared to cast a Kantian shadow over the neo-Confucian position. In Southeast Asia, a democratically elected regime led by Chatichai Choonhavan in the 1980s reversed the hardline

stance of its authoritarian predecessor and pursued a far more creative foreign policy towards its Indochinese neighbours ("turning the Indochinese battlefields to marketplaces"). This led to the progressive normalisation of ties with Vietnam and broke the diplomatic stalemate in the Cambodia conflict. ASEAN reaps the benefits of this policy today by realising its dream of "One Southeast Asia".

In Cambodia, democratisation under the UN's auspices in the 1990s has not only restored a modicum of domestic order, but has also led to the most peaceful regional relations the country has enjoyed in many decades, despite Hun Sen's "strongman" image. In Indonesia, democratisation has not led to a return to Sukarno-like nationalism threatening its smaller neighbours. Despite the carnage in East Timor, Aceh and the Malukus, some would also argue that the human costs of the transition from autocratic rule in Indonesia was less severe than what the country suffered during the transition to autocratic rule in the mid-1960s.

The democratically elected government of Indonesia continued to show respect for ASEAN and the principle of no-use of force in inter-state relations. It found a political solution to one of its most intractable internal conflicts: Aceh. While regional concerns persist about the spill-over effects of its domestic instability, Indonesia has not been in the business of exporting or encouraging subversion or terrorism to its neighbours. Unlike military-ruled Burma, it has not been a haven for drug traffickers threatening human security in its neighbours.

Limited democratisation may explain why Asia had not been able to achieve stable peace despite the phenomenal rise of economic interdependence induced by decades of rapid growth under authoritarian rule and the US security umbrella in the Cold War period. The pacific effects of interdependence

(as well as regional institutions) require a domestic basis in democratic political structures. Until now, the democracy leg of the Kantian framework remained modestly developed. Democratic transitions in Asia have been generally peace-inducing. As the number of democracies in the region increase, this proposition may be put to test. And the future of democracy in the region is by no means guaranteed. But Asia could well become an example of a democratic security community (perhaps with some Asian characteristics) in which the use of force becomes progressively illegitimate. Instead of positing a positive nexus between autocracy, economic growth, and balance of power dynamics, the Asian security order could increasingly be based on a more, if not exclusively, Kantian framework.

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30

Democracy in Burma: Does Anyone Really Care?*

A July 2005 agreement among the members of the Association of Southeast Asian Nations (ASEAN) that Burma would relinquish its turn at the chairmanship has averted a major diplomatic crisis for the organisation. Western nations, including the United States and the European Union, who attend the annual ASEAN meetings as "dialogue partners", had threatened to boycott the 2006 meeting if Burma was in the chair.

Founded in 1967, ASEAN now includes 10 countries of Southeast Asia. Under its rotational leadership, Burma, which joined the group in 1997, was due to assume the chairmanship of its Standing Committee in 2006.

The Western dialogue partners of ASEAN are protesting against continued political repression and human rights abuses by the Burmese regime, which has ruled the country since 1962. The regime has refused to accept the result of the 1990 national election, which was won by the opposition National League for Democracy (NLD). The party leader, Aung San Suu Kyi, has since spent most of her time under detention.

By giving up its claim to lead ASEAN in 2006, the junta managed to take the heat off the question of domestic reform. And ASEAN avoided a Western boycott of its 2006 meeting. But without more focused action by ASEAN and the international community to move Burma towards democracy, the move will be little more than ASEAN's traditional practice of sweeping problems under the carpet.

The discussion in Laos was not about how to improve the political situation in the country. The issue was Burma's leadership, rather than membership in ASEAN. ASEAN has not made Burma's continued membership of the association subject to political reform.

ASEAN has been reluctant to push Burma towards political reform out of deference to its doctrine of non-interference. The Burmese junta has started drafting a new constitution, due to be completed in 2007, which it says would lead to political liberalisation. Presumably, this would make Burma eligible to assume the leadership in ASEAN.

ASEAN members agree and hope that this will be the case. But its Western partners dismiss the constitution-drafting process. Suu Kyi and her party have boycotted the National Convention drafting the constitution, whose delegates were hand-picked and tightly controlled by the junta. The Bush administration in May 2004 stated that because "Rangoon's constitutional convention has not allowed for substantive dialogue and the full participation of all political groups, including the NLD, it lacks legitimacy". If approved by a popular majority in the electorate in a free and fair referendum — which is by no means guaranteed — the constitution would still accord the military a privileged position in the political system, including sole claim to the presidency.

ASEAN's role in Burma has been very different from its role in the Cambodia conflict during the 1980s, when it led efforts

to find a peaceful settlement to the dispute, which resulted in the Paris Peace Agreement in 1991. That conflict was originally a civil war, although it had been internationalised by Vietnamese intervention and occupation of Cambodia. There has been no outside intervention in Burma, which is one justification for ASEAN's hands-off policy. But Burma has proven to be a major embarrassment for ASEAN.

ASEAN's diplomatic options in dealing with Burma are limited by intra-mural differences within the grouping over how to deal with the junta. Some members — Indonesia, Malaysia, Philippines, and Singapore — are increasingly concerned about the group's relationship with Western nations, if not its international public reputation *per se.* Thus, these ASEAN countries want to see the association play a role in nudging the junta to reform. Others, like Vietnam, stick to the principle of non-interference, and are worried about setting a precedent of allowing regionalist pressure for domestic political reform — a precedent that would likely come back to haunt them.

ASEAN's capacity for inducing political reform in Burma is also constrained by the fact that the junta has secured backing from both China and India, its two most powerful neighbours, playing them against one other. Hence, the junta can ignore any demand for political change that ASEAN may bring to bear on it.

China and India are critical to any intervention by the international community in Burma. But is the West really interested in advancing political change in Burma? There is no serious diplomatic effort ongoing today — of the kind one finds in Sri Lanka or Aceh — that might help bring about political reconciliation in Burma. The Bush administration snubbed ASEAN by cancelling Secretary of State Condoleezza Rice's attendance at the Vientiane meeting. But this posturing was almost entirely cost-free, thanks to good bilateral relations with

key Asian nations, as indicated by a separate Rice stopover in Bangkok before the Vientiane meeting. Diplomatic snubs and economic sanctions are no substitute for a policy of seeking a solution to Burma's political woes.

Burma's strategic location or economic potential may be apparent to India and China, but not to the US. Burma is not regarded by the Bush administration as a terrorist haven, although it claims to side with the US on the war on terror, supposedly against extremist elements among its Rohingya Muslim minority. When asked by the author as to why the US is not actively seeking a role in the Burma problem, a senior official in the first Bush administration replied that because there is no significant domestic interest or constituency in the United States pushing for such a role. The administration's democracy-promotion agenda does not extend to Burma, despite the fact that Secretary Rice named Burma as one of six "outposts of tyranny" during her Senate confirmation hearing in January.

Yet, a diplomatic effort backed by the US and involving Burma's giant Asian neighbours would be necessary and timely. Denying Burma the chairmanship of ASEAN is good posturing, but it does not advance the cause of democratic transformation in the country. If the US could engage in six-party negotiations involving China, Japan, Russia, and South Korea to deal with the North Korea problem, why should it not encourage a similar move involving China, India and ASEAN to deal with the Burma issue?

The international community needs to prove that while taking a moral high ground on Burma's crisis, it must also offer concrete ideas and approaches to advance the democratisation and national reconciliation process beyond the current policy of sanctions and boycott. A necessary step in that direction

would be a new diplomatic initiative to persuade the Rangoon regime to broaden the constitution-drafting process, with the participation of freed opposition leaders and a firm time-table for internationally-supervised elections. Such an initiative could be spearheaded jointly by ASEAN, China and India, with the backing of the US and the EU and other members of the international community.

Ultimately, ASEAN must come out of its non-interference closet and address the issue head-on. Otherwise, its hands-off approach will continue to cloud its legitimacy and credibility as a regional organisation with a mandate for seeking "regional solutions to regional problems".

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31

Thailand: Midnight Reversal*

The military coup in Thailand that ousted Thaksin Shinawatra was the result of a number of immediate and long-term reasons. The immediate reason could well be that this was an opportunistic move by the Thai army to oust the prime minister when he was out of the country. But tensions were building up over a number issues: Allegations of corruption by the regime, the deteriorating situation in southern Thailand, including recent bombings in Hatyai, and the continuing political stalemate which was hurting the economy. There were ample indications that Thaksin had lost the support of the king and large sections of the army, although he did and still does have a few supporters in the military, especially among his classmates.

The coup is thus the result of a combination of forces — army factions that were getting impatient with the political stalemate and sensing the growing alienation between the king and Thaksin; Privy Council members who had also lost confidence in Thaksin; and the urban middle classes who were fed up with his authoritarian measures, including his control over the media and use of money politics to give himself a huge majority in the past elections, especially in rural areas. The army then

stepped in, sensing correctly perhaps that a coup will not be unpopular. Although Thailand has gone some distance on the road to democracy, there was a tipping point at which political instability and threat to the national economy could generate public tolerance for a coup.

The economic fallout of the coup could be serious for Thailand, at least in the short term, but there is little risk of this turning into a regional economic crisis as happened in 1997, a crisis which had also originated in Thailand with the fall of the Thai currency. There are important differences between the two situations. The current crisis is brought about by internal political developments in Thailand, not by international currency speculators. And the region has more or less recovered from the 1997 crisis. In the long term, the end of the political uncertainty could help Thailand's economic prospects.

But it all depends on how the Thai coup leaders manage the transition to a new government through elections. Thailand's party system, though faction-ridden, can put forward an alternative coalition without too much difficulty. But a major uncertainty would be if elections are held and Thaksin or his party is returned to power again, as his populist policies would still have a huge following in the rural areas. Another uncertain factor is how this affects the perception of the king's role. There may be a growing sense that the army would not have moved without the king's tacit understanding, if not outright approval. If the coup in any way undermines the institution of the monarchy, Thailand could be headed for big trouble.

Moreover, the coup is a major setback to democratisation in Southeast Asia. It says a lot about the fragility of ASEAN's new democracies. It was not long ago that many thought a military coup would be unthinkable in Thailand and more generally in Southeast Asia. The end of the Cold War and the growing

backing for democratic transitions from Western countries fuelled such optimism, and most important, the downfall of the Suharto regime in the wake of the 1997 economic crisis. Southeast Asia seemed to be enjoying a democratic moment.

If it is Thailand today, which country is next? Will it be Philippines, where there have already been plenty of signs of military restiveness? Will it be Indonesia? Will the coup encourage militaries in other countries who have not reconciled to democratic transitions in their homeland and who may be tempted to exploit public disenchantment caused by corruption, inefficiency and uncertainty under democratic rule? The region will be haunted by these uncertainties. The coup will please critics of democracy who argue that such an "alien" and "Western" form of government is not suited to local conditions. Moreover, it confirms an unfortunate perception that people's power or military power remains a plausible way of bringing about political change in Southeast Asia, that these democracies have not learnt how to manage transition from corrupt and inefficient regimes through legitimate elections.

These critics can point to the corruption, instability and insecurity that have marked Thailand in recent years as an indictment of democracy as a system of government. These are of course self-serving arguments by people who are apologists for authoritarian rule, but the coup will give them new ammunition. This comes at a time when Western countries themselves have undermined the cause of democracy by supporting authoritarian governments who are on the right side of the war on terror (for example, Pakistan's Musharraf), or by limiting civil liberties in their own countries in the name of fighting terror.

The Thai coup also poses a major challenge to ASEAN, which is rethinking its approach to state sovereignty and

developing new means to safeguard regional stability. ASEAN's evolving plan of action for a "security community" endorses democracy as a desirable form of government. It will seriously test the ASEAN principle that its members do not recognise any government that has come into power through "unconstitutional" means. A coup certainly falls in that category, no matter what its justification.

It will be interesting to see how ASEAN countries respond to the coup, whether they will continue to recognise Thaksin, or come around to accepting the leaders of the coup and their chosen political representatives by finding some excuse that this was not really an unconstitutional ouster of a legitimate government, but unavoidable action against one that had lost its legitimacy, especially after the last elections called by Thaksin were seen as flawed and hence boycotted by the opposition. If the coup leaders succeed in restoring order promptly and if Thaksin gives up on his bid to reclaim his position as prime minister, then the latter scenario is more likely. In any case, ASEAN's task of devising new rules and mechanisms for ensuring regional political stability has become much more demanding after the coup in Thailand.

32

Asia Should Be Wary of Alliance of Democracies*

The recent induction of India into an existing triangular dialogue between the US, Japan and Australia marks a new stage in the growing recognition of New Delhi's place in the Asian balance of power. Although Australia denies any strategic motive behind this move, the fact that it followed the urging by US Vice President Dick Cheney during his visit to Sydney can only be seen in Beijing as a strategic bloc in forming.

As the new kid in the bloc, India has received increasing attention from the three other members of the group. As China's overall power and influence in the region grows and India's own economy booms, New Delhi's economic and strategic relationship with the US, Japan and Australia has become steadily closer.

India has replaced China (which is no longer qualifies for Japanese Official Development Assistance (ODA) due to its economic development) as the largest recipient of Japanese ODA, amounting to over US$1 billion a year. India and Japan have found a common cause in seeking permanent membership in the UN Security Council. Last year, India overtook the US as Australia's fourth-biggest export market after Japan, China

and South Korea. A US-India strategic partnership has been forged. Military visits and joint exercises between the two have grown in number and sophistication, featuring both counter-terrorism and conventional warfare type scenarios. Indian and US forces joined Japan in a trilateral exercise off Yokosuka near Tokyo Bay last April. American defense companies are smelling blood as India looks to buy up to 126 new fighter jets.

The quadrilateral dialogue is conceived as an alliance of democracies, a notion favoured by Japanese Prime Minister Shinzo Abe, and reflecting opinions in Japanese policymaking circles where anti-Chinese sentiments have grown markedly in the past decade. It is also a club of big powers. Smaller democracies of the region, such as South Korea or Indonesia, are not part of the group and are likely to resent it.

But the idea faces significant barriers. Even as democracies, the political and social systems of the four differ from each other. India's level of economic development is markedly lower than those of the other three. And developing a shared vision of world order will be difficult. Although India no longer champions non-alignment, it remains an advocate of Third World solidarity to redress the global North-South inequities.

Moreover, bilateral relationships within the quadrilateral grouping are unevenly developed and not always smooth. Civil-isational identity and history make Australia a "natural ally" of the US. The US-Japan relationship is more threat-driven, the Soviet Union during the Cold War and China now. India's strategic understanding and links with the three others are too new to be regarded as a permanent phenomenon.

Australia has refused to sell uranium to India. The US-India nuclear cooperation agreement has ran into trouble over issues such as India's right to conduct nuclear tests without risking cancellation of the agreement and reprocess spent fuel. The

Indian left, an influential member of the Congress party-led ruling coalition, remains wary of close security collaboration with the US. Unlike Australia and Japan, India refused to join the "coalition of the willing" formed by the Bush administration when it invaded Iraq. India has opposed the US policy of isolating Iran, even as New Delhi does not endorse Iran's nuclear ambitions.

But the most important challenge to the grouping could be China's opposition. Anticipating this, Australia has tried to reassure China that the group will not become a "security dialogue or alliance". Australia can ill afford to woo India at the cost of incurring China's displeasure. The China-Australia trade in 2006, valued at A$50 billion, is more than three times that of India-Australia trade (A$14 billion).

China would view a club of big power democracies in Asia as an ideologically charged move that is likely to evolve into a security grouping over time. Such a development is provocative to Beijing which would also see it as a threat to regional stability. And Beijing may, ironically, get justification for its opposition to an alliance of democracy from the liberal theory of "democratic peace". This theory, derived from centuries of international experience, holds that democracies do not fight one another. Therefore, cooperation among democracies is beneficial to regional and global order. But the same theory also reveals that democracies do have an extensive record of waging war against non-democracies. A coalition of democracies may be even more prone to confrontation towards non-democracies. Beijing and advocates of a inclusive approach to Asian security should watch out.

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VI

The Changing World Order: Implications for Asia

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33

Clash of Civilisations? No, of National Interests and Principles*

The swift collapse of the Taliban regime in Afghanistan under the weight of American military power marks the defeat of one of the more prominent ideas to emerge from the ashes of the Cold War: Samuel Huntington's thesis about a "clash of civilisations".

The September 11 attacks on the United States were the first real test of the Huntington thesis. Amid the initial shock waves of the attacks, many saw its vindication. This view gained strength when George W. Bush used the world "crusade", with its connotations of a Christian holy war against Muslims. The attacks themselves were presented by the perpetrators as Islamic holy war against Christians and Jews.

Yet, the response of governments and peoples around the world has proved that this was no clash of civilisations. What emerged was an old-fashioned struggle over the interests and principles that have traditionally governed international relations. Civilisational affinities played only a secondary role.

The world's Muslim nations condemned the terrorist attacks. Many recognised the US right to retaliate against the

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Taliban for sheltering Al-Qaeda. Some offered material and logistical assistance.

From Saudi Arabia to Pakistan, from Iran to Indonesia, Islamic nations denounced Osama bin Laden. In Pakistan, President Pervez Musharraf and his associates denounced the terrorists for giving Islam a bad name. Reversing its long sponsorship of the Taliban and braving the wrath of Islamic extremists at home, Pakistan offered vital logistical support to US forces.

Iran, which for decades had spearheaded Islamic revolutionaries' campaign against the United States, also made no secret of its disdain for the Taliban's Islamic credentials. Iran saw an opportunity to rid itself of an unfriendly regime in its neighbourhood.

Each of these nations put national interest and modern principles of international conduct above primordial sentiment and transnational religious or cultural identity.

Pakistan, for example, got badly needed American aid and de facto recognition of its military regime. Indonesia, whose support as the world's most populous Islamic nation was crucial to the legitimacy of the US-led anti-terrorist campaign, received American economic and political backing for its fledgling democracy.

In Indonesia and Malaysia, the war against terrorism presented an opportunity for governments to rein in domestic Islamic extremists who had challenged their authority and created public disorder.

Most nations accepted the US counterstrike as an exercise in a nation's right of self-defense. None granted the same right to the Taliban.

Asked to chose between America and the terrorists, nations of the world closed ranks to an unprecedented degree and sided

against the terrorists. They did so despite reservations about America's Middle East policy, concerns about civilian casualties in the Afghanistan war and misgivings about US military and economic dominance of the world.

The "clash of civilisations" thesis fares no better in the domestic arena than on the international stage. Appalled by the terrorists' methods and the loss of so many innocent lives, most religious leaders in Islamic societies condemned the attacks as un-Islamic.

Dire predictions were made that countries which acquiesced in or backed the US retaliation would be torn apart by ethnic and religious strife, but such predictions did not come true.

In Pakistan, where the risk was most serious, General Musharraf was able to act more and more boldly against extremists as Islamic protests fizzled out. Hard-core Islamic elements in Indonesia failed in their attempt to rally widespread public support against the American action in Afghanistan. In Malaysia, Prime Minister Mahathir Mohamad set aside his rhetoric against American hegemony and made it difficult for Malaysian jihadists to travel to Afghanistan to fight alongside the Taliban.

The international response to the September 11 terrorist attacks shows that religion and civilisation do not replace pragmatism, interest and principle as the guiding motives of international relations.

In rejecting the call to jihad issued by the Taliban, bin Laden and their supporters, some Islamic nations acted out of interest and others out of principle. Most were motivated by a combination of both.

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34

The Retreat of Liberal Democracy*

The war on terror waged by the United States challenges the thesis proposed by Francis Fukuyama that the end of the Cold War leaves liberal democracy and the free market as endpoints of history. Indeed, it suggests that they are in retreat.

Until now, the main criticism of Fukuyama has come from those who believe that alternatives to liberal democracy already exist or could emerge, for example, from non-Western civilisations, such as Confucianism or Islam. Indeed, an intense competition for ideas and political institutions was predicted in Samuel Huntington's thesis about the clash of civilisations, which challenged Fukuyama's end of history argument in one of the great debates of the post-Cold War era.

Fukuyama has vigorously defended his position in the light of developments since the terrorist attacks on the United States just over a year ago. In an article in *The Guardian* on October 11, he argued that radical Islam constitutes no serious alternative to Western liberal democracy. "Modernity is a very powerful freight train that will not be derailed by recent events," he wrote. "Democracy and free markets will continue to expand as the dominant organising principles for much of the world."

"We remain at the end of history because there is only one system that will continue to dominate world politics, that of the liberal-democratic West," Fukuyama stressed.

But in the post-Cold War era that emerged from the ashes of the World Trade Centre in New York, the real challenge to the Fukuyama thesis comes from the visible downgrading of the West's commitment to liberal democracy, ostensibly for the sake of homeland security.

What we may be witnessing today is not history's end, but its retreat. The end of history thesis fails because the West's commitment to liberal democracy can no longer be viewed as linear and unconditional. In the West and elsewhere, homeland security now takes precedence over individual rights and civil liberties.

As the leader in the war on terror, the United States offers the most striking example of this shift. The American doctrine of homeland security envisages a pervasive surveillance of citizens unthinkable since the McCarthy era.

A nationwide program of turning ordinary citizens into informants and spies has been shelved, but other elements of homeland security continue to advance. The denial of prisoner of war rights to Afghan prisoners in Guantánamo Bay further attests to America's declining commitment to freedom.

US foreign policy reflects this shift as well. Attorney General John Ashcroft has openly praised internal security acts in Asia used to combat terror. American support for democratic transitions in the Third World, always selectively pursued, has eroded further.

With freedom in the United States under threat, America's Third World allies are less reticent about turning their own war on terror into a war against freedom. America has lost its moral high ground in the global human rights debate.

American support for the cause of self-determination and the human rights of ethnic minorities appears to have taken a backseat as Washington courts countries such as Russia (with its problems in Chechnya) as a strategic ally in the war against global terror.

Other nations, such as China and Burma, have seized the opportunity to link domestic ethnic separatism with the terrorist network.

Governments enjoying US support are using terrorism as an excuse to outmanoeuvre their political opponents.

Even the differences between Europe and the US can be overstated. While the two disagree on strategic issues such as Iraq and Palestine, many nations in Europe too have embraced homeland security.

In the aftermath of September 11, 2001, states have curtailed market forces in their efforts to cut the financial lifelines of terrorist organisations. Transnational civil society networks, once seen as a catalyst of a more liberal world order, are under threat as many non-governmental groups come under greater official surveillance for alleged links with terrorist groups.

The war on terror also gives ammunition to the critics of democracy and democratisation as forces for peaceful change in international relations. As the cases of the United States, India and Israel show, democracies are no less vulnerable to terror, even though some argue that the spread of democracy could be a major step towards eradicating one of the root causes of terrorism.

Fukuyama is right in recognising that the end of the history thesis was meant to apply to all of the West, including the United States. American unilateralism and US-Europe differences over Iraq and Palestine are therefore problematic. But what we are seeing today is not only a division of the West, but also its general retreat from Fukuyama's view of history.

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35

Sovereignty: Asians are Wary of Pushy Outsiders*

As Asia ponders its response to an eventual military strike on Iraq led by the United States, two key European powers, France and Germany, have indicated their strong reluctance to be dragged into war. In a much debated article in the American conservative journal *Policy Review* last year, Robert Kagan presented a contrast between US and European attitudes toward power and international relations. He argued that Americans and Europeans live in very different worlds and represent two increasingly divergent worldviews and strategic cultures.

The Europeans, according to Kagan, are "Kantians" who have entered "a post-historical paradise of peace and relative prosperity". They favour peaceful solutions through diplomacy, persuasion and negotiation. The Americans believe in a "Hobbesian" world in which international rules are deemed inefficient and unreliable and security is seen to depend on the "possession and use of military might". The world in which Asians live, and the view of it that most Asian leaders have, appear to be more Hobbesian than Kantian. Unlike Europe, Asia is rife with conflicts. It lags far behind Europe's level

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of regional integration and commitment to liberal democracy. Moreover, while relative lack of power compared with America is common to both Europe and Asia, it has produced dissimilar responses. Kagan holds that Europe's lack of power has led it increasingly along a path of multilateralism. In the case of Asia, it has led to strategic dependence on larger players, particularly the United States. Military alliances are in decline in Europe, while they remain robust in Asia. But Asians are not, and cannot be, Hobbesian in the sense that America is. Asia lacks the means to pursue national objectives unilaterally through force.

In the Cold War period, Asia's regional order rested on three pillars: inward-looking, nationalist and state-led economic development strategies; authoritarian rule; and bilateral alliances with major powers, especially the United States. Today, those pillars have given way to shared economic liberalism (export-led growth, free trade and growing regional economic interdependence), democratic transitions in many countries, and the emergence of regional institutions. Asia, especially East Asia, is much more interdependent, democratic and institutionalised now than in the 1960s.

Hence, categories such as Hobbesian and Kantian do not do an adequate job of explaining Asia's complex and fluid security predicament. Moreover, the power gap emphasised by Kagan in explaining the Euro-American divergence is not the sole or the most important determinant of Asia's attitude toward international relations.

Culture also matters in Asia. There is a far greater convergence of strategic culture between Europeans and Americans than between Asians on the one hand and the Europeans and Americans on the other. And of course Asia is culturally far less homogeneous than is either Europe or America. While Europe's commitment to regionalism and rule of law in

international affairs emerged from a determination to transcend the sovereignty-bound system of the nation-state, Asia's recent move toward regional multilateralism came primarily from a desire to preserve the existing rules of international relations, especially those related to sovereignty.

Europeans increasingly live in a post-sovereign region, and regard this as more efficient and morally desirable. Asia remains firmly beholden to sovereignty, taking it as the fundamental basis of stability and identity.

Asians, like Europeans, oppose American unilateralism. This is evident in recent debates about Iraq. Asians fear legitimising outside intervention in their internal affairs.

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36

Multilateralism and American Foreign Policy under Bush II*

The main challenges for US foreign policy in the coming years can be summed up in two words: distraction and isolation.

Distraction is caused by its military and diplomatic preoccupation with the war in Iraq, which makes it difficult for the world's sole superpower to turn its attention to regional conflicts and transnational dangers in Asia and Africa.

Isolation is a self-inflicted problem stemming from the Bush administration's earlier disdain for key multilateral initiatives such as the Kyoto Protocol, the failure to get United Nations (UN) support for the Iraq invasion and the consequent rise of anti-Americanism worldwide.

Instead of fearing American isolationism, we have come to fear America's isolation in the global community, which may be exploited by extremist forces and undermine the efforts of the world community in fighting transnational dangers.

How to overcome the challenges posed by distraction and isolation? Part of the answer must lie in the return of the United

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States to multilateralism. This is not going to be an easy task, however.

During the final stages of the presidential campaign, President George W. Bush derided his opponent, John Kerry, for his alleged suggestion that key US foreign policy decisions be subjected to a "global test".

Bush stated emphatically that he would act on matters of foreign policy and national security only on the basis of US national interests, irrespective of the wishes or approvals by allies and the UN. That was campaign rhetoric. What now?

There are two ways of looking at the foreign policy approach of the second Bush administration. On the one hand, there is hope that Bush will learn from past excesses and adopt a more accommodating approach towards multilateral bodies.

This could come about by reducing the role of the neo-conservatives in foreign policy formulation. But if this means giving more space to the traditional conservatives, this need not translate into more multilateralism. The latter tend to be isolationist, although they are less militant in their rejection of UN and multilateral institutions.

On the other hand, Bush may stay his course, more so now that he has won the popular vote which he may choose to interpret as a mandate to run the war on terror the way he likes.

We will know soon enough. One of the key indicators will come from the composition of the foreign policy team that Bush will choose for his second term in office.

In the meantime, the UN remains in serious disarray over the Iraq issue, with no immediate prospect for a reconciliation between the US and France that might revitalise the Security Council.

There is the challenge of choosing a new secretary-general, who is supposed to be an Asian. Another test will be whether

and on what terms the President will convene international meetings on Iraq and the Middle East peace process.

While disdaining multilateralism, the Bush administration has developed close bilateral relations, especially in Asia. Indeed, for the first time, the US enjoys good relations with both India and Pakistan. Relations with China are much better than during the early days of Bush's first term. At the same time, the alliance with Japan has been strengthened.

Why not continue this course? After all, multilateralism is cumbersome, not just diplomatically but also militarily, as the US learnt in Kosovo. But it does offer some important benefits as well. International organisations, especially the UN, are the key dispensers of legitimacy. A key benefit of multilateralism is burden-sharing. Lack of a UN mandate has prevented the US from gaining the involvement of countries such as India and Pakistan. There remains strong support for the UN in the American population. And multilateralism is part of the American foreign policy identity. More than any other country, the US was responsible for developing multilateral institutions as a core element of the post-war international order.

A survey of US public opinion conducted by the Chicago Council on Foreign Relations in July this year shows that the vast majority of the American public support working through the UN to strengthen international law against terrorism.

It also shows that there is no clear majority support for unilateral action to prevent states from acquiring weapons of mass destruction, although a majority would support collective action to this end if approved by the UN Security Council.

The second Bush administration also has an opportunity to strengthen the US role in Asia-Pacific multilateralism. Until now, the US backing for the ASEAN Regional Forum (ARF)

has been lukewarm and uncertain. By contrast, China has reversed its earlier reservations about multilateralism and used it effectively to project the image of a constructive and responsible regional actor.

Bush administration officials admit to a certain amount of concern over Chinese enthusiasm for regional institutions that do not involve the US, such as the ASEAN Plus Three framework. The US could step up its support for the ARF to make it more relevant to regional security, and thereby discourage the development of regional frameworks which exclude it.

And as part of an overall multilateral strategy, the US could encourage the development of a more permanent sub-regional institution in Northeast Asia with the six-party talks as its foundation. Such initiatives would complement the gains it has made on the bilateral front and lessen the perception of US unilateralism generally.

37

Regional Security Groups in a Multipolar World*

As the Iraq crisis continues to plague the United Nations, can regional security organisations help to strengthen the global security architecture?

Two of the most important regional organisations in the world today, the North Atlantic Treaty Organisation (NATO) and the European Union (EU), are looking beyond their traditional geographic areas to respond to new threats.

This is partly the result of their membership expansion into central and eastern Europe, but the September 11 terrorist attacks and the acute humanitarian crisis in Africa have also led them to look into non-European theatres.

The once-contentious question of whether NATO should go beyond Europe is no longer an issue. The new NATO, as its officials like to say these days, is no longer a geographic entity but a functional one, with a mission to "go to problems before they come to you".

It has made terrorism a central focus of its global security role. Following the end of its territorial defence role against

the Soviet Union, NATO defied expectations of its obsolescence by undertaking intervention and peacekeeping, first in Bosnia and then in Kosovo.

It moved beyond Europe with peacekeeping and anti-terror operations in Afghanistan and is now organising training for post-Saddam Iraqi forces.

It has developed a "partnership for peace" with Russia, and is undertaking dialogues with Mediterranean and Central Asian countries, the greater Middle East area, and Asia-Pacific nations such as China.

Unlike NATO, the EU did not need to find new justifications to stay in business. But its interest in out-of-area missions has grown in keeping with the development of its own security and defence identity. It is taking over peacekeeping duties from NATO in Kosovo. It has sent a peacekeeping mission to Congo and, as British Prime Minister Tony Blair announced recently, the EU is preparing to get involved in other troubled regions of Africa, such as Darfur in Sudan.

NATO is creating a rapid-reaction force of 21,000 troops which can be deployed anywhere within five days and operate without logistics reinforcement for a month.

Not to be outdone, the EU, whose own concept for such a force was mooted before NATO's, (some EU officials see the NATO force as a deliberate US attempt to undermine theirs) is putting together a rapid-response force which would consist of 60,000 troops, 1,000 military aircraft, 400 maritime vessels and 5,000 armed police. A force drawn from this can be kept in the field for one year.

Despite their overlapping membership and mutual cooperation in areas such as Kosovo, NATO and the EU do not necessarily share the same philosophy and approach when it comes to global peace and security operations.

Any out-of-area mission by NATO would remain heavily conditioned by US preferences and the US-led war on terror. The EU's security role stresses its independence from the US and focuses on broader issues of human security and humanitarian assistance.

While EU officials talk about conflict prevention, NATO makes no bones about pre-emption and intervention. The EU would like to present itself as a rules-based organisation which would respect international law and seek a UN mandate before engaging in foreign military missions. By contrast, NATO officials leave the door open to a "coalition of the willing" and pre-emption. (As a NATO spokesman put it to this author: "It all depends.")

The EU's peace and security missions are "open" in the sense that they allow participation from other countries, such as in Congo (which involved Brazil and Ukraine, among others). The EU also promises to work closely with local regional organisations; in Africa, for example, the EU would only accept a peace and security role under "African ownership".

EU representatives claim that theirs is the only regional organisation which can provide the full complement of responses ranging from monitoring elections and drafting new constitutions to more direct measures of post-conflict peace-building. NATO is constrained in the area of political and economic responses.

On the other hand, while some elements within the EU see the development of its security role as a means of making it a global superpower rivalling the US, this is unrealistic at a time of declining military budgets in Europe, and the presence within its membership of a number of neutral nations which may be ill-disposed to distant military operations. Membership

expansion makes it difficult for the EU to achieve a consensus on foreign intervention.

The development of regional security cooperation through such partnerships need not follow a single model derived from the European experience. To be sure, the EU and the Organisation for Security and Cooperation in Europe (OSCE, which is sending a mission to monitor the coming US presidential election) have provided important ideas and mechanisms for regional groupings in Africa and Asia.

Examples of the diffusion of the OSCE framework include the Conference on Security, Stability, Development and Cooperation in Africa, the Shanghai Cooperation Organisation (which grew out of negotiations between China and the then Soviet Union and features many aspects of the OSCE), and aspects of the ASEAN Regional Forum's confidence-building agenda.

But adopting the OSCE's formal and legalistic security measures in non-European theatres has proven to be difficult, and has had to be modified and localised. Concerns about sovereignty in the developing world remain a barrier to regional and inter-regional security cooperation. But attitudes are changing. The African Union (formerly the Organisation of African Unity) is becoming more receptive to the idea of humanitarian intervention.

The New Partnership for African Development (NEPAD), strongly backed by South Africa, seeks to move beyond strict sovereignty concerns by adopting a "peer review mechanism" covering areas of peace and stability, democracy and political governance, and economic and corporate governance.

The Inter-American Democratic Charter of the Organisation of American States (OAS) is an important example of the

willingness of non-European regional organisations to move beyond the Westphalian principle of non-intervention.

The charter makes a normative commitment to the promotion of democracy, as opposed to the traditional defence of state sovereignty, and permits collective action in defence of democracy not only in the case of coups, but also anti-democratic and unconstitutional "backsliding" by elected rulers.

In Southeast Asia, despite the persistence of the non-intervention mindset, the Indonesian proposal for an ASEAN Security Community seeks to delegitimise unconstitutional ouster of governments.

At the end of World War II, Winston Churchill suggested reorganising world order with a number of regional security arrangements, each led by a local hegemon, which would ensure a multipolar global balance of power. While such regional spheres of influence are not desirable today, multilateral regional security arrangements could make a contribution in offsetting the dangers of the unipolar era.

The US remains a powerful, relevant and helpful actor in supporting regional security arrangements in many areas of the world. But when and where US power is exercised unilaterally or its security guarantees are no longer credible, cooperation within and between regional organisations may create an alternative basis for organising global order.

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38

EU's Crisis: Lessons for Asia*

The EU crisis over its Constitution and budget revives the question of whether the European Union represents a model of regional cooperation that Asia and other parts of the developing world should emulate.

With their minimal bureaucracy, avoidance of legalistic mechanisms and strong commitment to the non-interference principle, Asian regional organisations present a sharp contrast to the EU, which is known for its extensive institutionalisation and the "Brussels bureaucracy".

Before the recent European crisis, it was commonplace among Western scholars to note that while the EU had overcome age-old rivalries and fostered a common European identity, Asia's regionalism remained mired in competitive nationalisms and the naked pursuit of state sovereignty.

Asian policymakers and analysts have generally rejected the EU as a suitable model for Asia. Instead, they have presented the Association of Southeast Asian Nations (ASEAN) as an alternative and distinctive form of regionalism, as captured in the phrase "ASEAN way".

When Asia developed new forms of regional cooperation after the Cold War, these institutions, such as the ASEAN

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Regional Forum and the ASEAN Plus Three, were built on the ASEAN model rather than the EU model.

But were the EU's institutional mechanisms really supplanting national interests and identities? And is the ASEAN process as unique as claimed?

Ideas Challenged

These and related questions about the design and performance of regional organisations around the world are the focus of a joint research project launched in 2002 by the Institute of Defence and Strategic Studies (IDSS) in Singapore and the Asia Centre and the Weatherhead Centre for International Affairs at Harvard University. Co-directed by the author and Harvard professor Iain Johnston, the findings of the project challenge both propositions.

First, the EU's claim to have developed a collective identity did not stand up to scrutiny. In his paper on the EU, Oslo University's Jeffrey Checkel found that identities, discourses and public spheres fostered by European institutions were still dominated by their national counterparts or, at best, co-existed uneasily with them.

As the EU expands its membership and scope, covering new policy areas such as citizenship, immigration policy and fundamental rights, "one might expect the importance of national contexts to increase — and to do so in a direction that likely weakens the degree of cooperation". Completed in May 2004, Professor Checkel's paper anticipated the EU's present constitutional crisis.

What about the distinctiveness of the ASEAN model? This too does not stand up to scrutiny. The findings of the project

show that sovereignty and non-intervention remain the core principle of regional groups in the developing world.

For example, in his paper on Latin America, the director of Harvard University's Weatherhead Centre, Professor Jorge Dominguez, describes Latin Americans as "rule innovators" who pioneered the defence of hard-shell notions of sovereignty and non-intervention. While qualified somewhat by the Organisation of American States' (OAS) new agenda of democracy promotion, non-intervention remains a robust norm in the OAS.

Similarly, the consensus principle is not distinctive to ASEAN but has been followed by all other regional groupings, including the African Union (AU) — formerly the Organisation of African Unity (OAU) — the Arab League and, most strikingly, NATO, whose effectiveness in the post-Cold War era has been subject to its ability to forge intra-mural consensus rather than to American dominance.

Moreover, while regional institutions in Asia, Africa and Latin America are deemed to be "weak" when compared to the heavily institutionalised EU, this institutional weakness is part of a deliberate strategy to protect state sovereignty and ensure regime survival.

Weak institutions are desired by African leaders as a means to self-preservation, argues the author of a study of the OAU/AU, Professor Jeffrey Herbst of Princeton University.

First Things First

Indeed, a consistent and common feature of all regional organisations is the importance of domestic political considerations in shaping the agenda and extent of regional cooperation. The study on Asian regionalism, co-authored by Dr Yuen Foong

Khong of Oxford University and Dr Helen Nesadurai of IDSS, points to the tendency among Asian states to be "extremely protective of their sovereignty" and focus on "regime legitimacy and survival" while participating in regional projects.

But Asia is hardly unique. Regional cooperation, whether in Europe or elsewhere, works best if it helps leaders to address their domestic problems and bolster their legitimacy. Hence, it is a mistake to assume that there is an inevitable conflict between sovereignty (or, more precisely, the prerogatives of individual leaders) and regional cooperation.

African leaders, for example, usually seek to promote regional or continental agreements in order to enhance their own domestic standing and to cement their state's sovereignty.

And in France we have an example of how the politically significant domestic farming constituency has dictated Paris' reluctance to accept the elimination of the EU's controversial farm subsidies.

The project also found that regional cooperation based on an ideology of unification, such as pan-Arabism or pan-Africanism, has been a failure everywhere.

But if success is defined as the ability of a regional group to preserve sovereignty and territorial integrity, then the performance of regional groups in Africa, Asia and Middle East can be seen in a different light.

The OAU developed a successful regime to preserve post-colonial boundaries, whose alteration by nationalist leaders would have been profoundly destabilising.

The Arab League, normally regarded as a failed institution, could claim a major achievement; this, as pointed out in a paper co-authored by Dr Michael Barnett of the University of Minnesota and Professor Etel Solingen of the University of California at Irvine, was to frustrate Nasser's attempts to unify

the Arab world, which ran counter to the nationalist aspirations of fellow Middle Eastern leaders.

Context for Success

In terms of its policy implications, the project's findings are a reminder that there need be no single measure of success in regional cooperation, defined by the EU's single currency and Constitution. Success should be measured in terms of the regional context and the initial goals that regional organisations set for themselves.

At the same time, differences in the objectives and approach among regional organisations, implicit in labels such as the European model or the ASEAN Way, could be overstated. Regional cooperation is not a linear process, but proceeds rather through a series of ups and downs. The EU, NATO and ASEAN face similar challenges related to agenda and membership expansion.

The past or future success of the EU lies not in creating a pan-European state, but in ensuring that differences within the existing nation-state system are not settled through zero-sum competition and the use of force.

Instead of looking at the EU's Constitution and other experiments in supranationalism as unsuitable referent objects (which they may well be), regional organisations in Asia and other parts of the developing world should focus on lessons from the EU that might help them to ensure a stable peace among their members.

This singular accomplishment of the EU is yet to be damaged by the current constitutional and budgetary crisis.