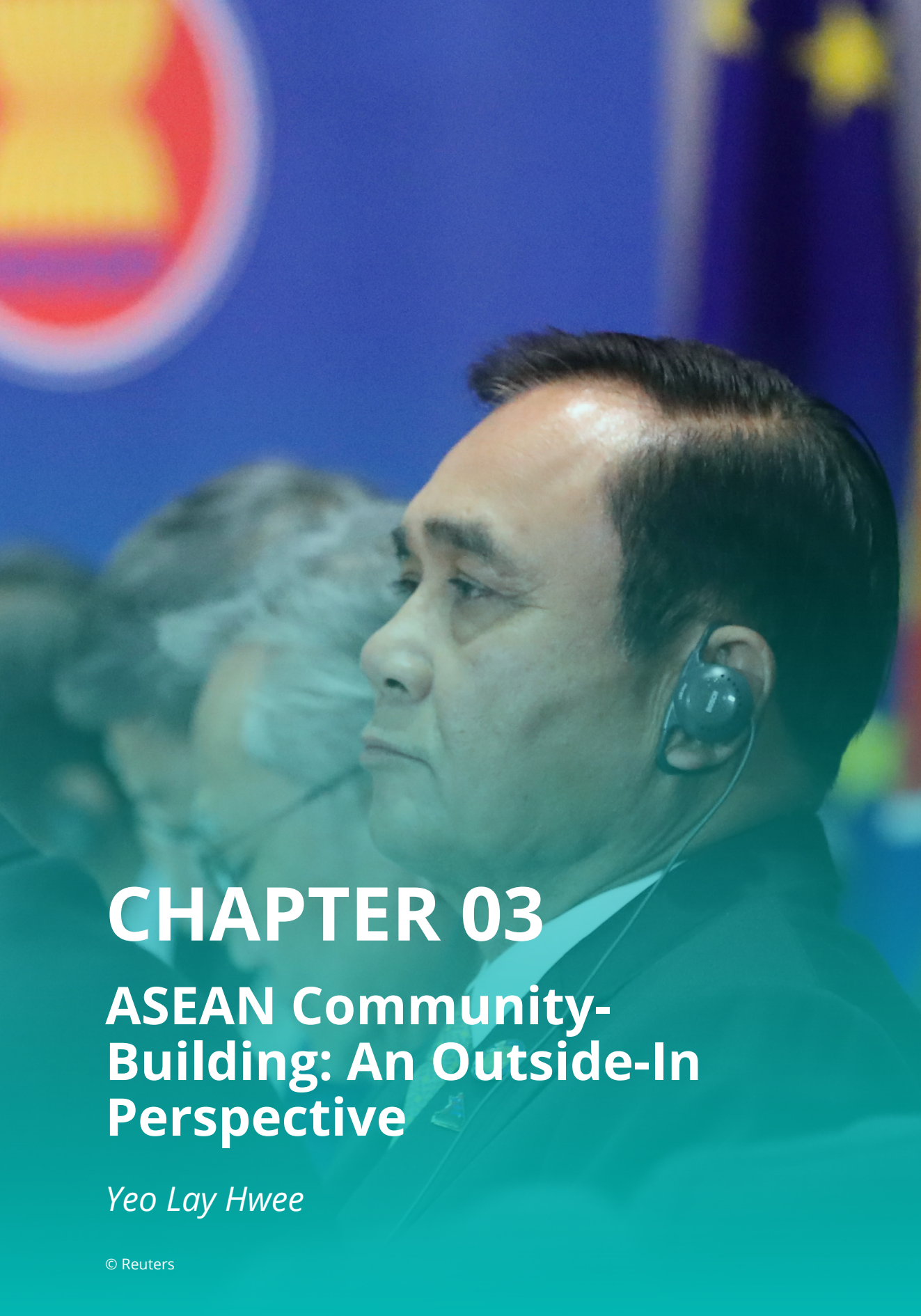

CHAPTER 03

ASEAN Community-Building: An Outside-In Perspective

Yeo Lay Hwee

INTRODUCTION

The Association of Southeast Asian Nations (ASEAN) was founded at the height of the Cold War era. Against this backdrop, with the confrontation between Malaysia and Indonesia and other regional disputes still fresh in the memory, ASEAN began with the modest aim of trying to reduce internal tensions so that each member state could focus on its own economic development and political consolidation. The original aim of ASEAN, as envisaged by its founding members, was modest – to keep the peace in Southeast Asia through respect for each other's sovereignty and adherence to the principle of non-intervention. ASEAN was to be a forum, a tool for member states "to manage common threats of communist insurgencies while balancing internal sensitivities and conflict" (Lee 2007).

Despite this political and security backdrop however, explicit reference to security cooperation had remained conspicuously absent in the agenda of ASEAN. Indeed, ASEAN's founding document, the Bangkok Declaration of 1967, mentioned nothing about security cooperation beyond the general statement that one of the aims and purposes of the Association would be "to promote regional peace and stability through abiding respect for justice and the rule of law in the relationship among countries of the region and adherence to the principles of the United Nations Charter". The rest of the aims and objectives revolved around cooperation in the socio-economic, cultural and scientific, and technical fields.

However, given the end of the Cold War and the challenges that a changing security and economic climate has brought, ASEAN must adapt in order to remain relevant. The grouping has gone from avoiding any explicit reference to a security role and eschewing institutionalised cooperation in the economic, political, and security arena to the drafting of the ASEAN Charter and articulation of its the ASEAN Community by 2015 idea, a big step both psychologically and normatively. The shift from a very low-key, implicit security role of managing tensions through dialogue and diplomacy to one more openly promulgating the aspirations of an ASEAN Community is itself a result of a constellation of different driving forces.

This paper attempts to examine ASEAN Community building efforts from an outside-in perspective, contrasting these efforts to those of the European Union (EU). The latter came about as a result of several bold decisions to transform Europe from a continent of war to one of peace. The community building effort that followed this aspiration may have witnessed its fair share of crises and setbacks, but from the days of the European Coal and Steel Community (ECSC) to the European Union of today, it is remarkable what has been achieved.

ASEAN: FROM SECURITY-POLITICO CONCERNS TO ECONOMIC COOPERATION

ASEAN was founded on the 8th of August 1967. Against the backdrop of the Cold War tensions and regional instabilities, the single biggest motivation for setting up ASEAN was fear. According to the former Foreign Minister of Singapore, S Rajaratnam, the main reason for setting up ASEAN was "fear of a triumphant and expansive communism, and fear of being manipulated, set against one another, kept perpetually weak, divided and ineffective by outside forces" (as quoted in Kwa 2006, 91).

The founding members of ASEAN articulated the need to band together to present a "united" front in the face of communist threats and to ward off "external interference" allowing individual member state governments to establish effective control over their domestic territories and focus on building up "national resilience" – a euphemism for ensuring regime survival and state security. In addition, a largely unstated but important underlying objective was to establish a framework for peaceful intra-regional relationships between member states– in short, the need for confidence-building amongst neighbours after years of confrontation between Indonesia and Malaysia (1962–66), the ejection of Singapore from federal Malaysia in 1965, and various other border disputes that took attention away from domestic development and state and nation-building efforts.

ASEAN's narrative of its own institutional development is coloured by euphemism, as reflected in its founding document the Bangkok (ASEAN) Declaration. The Declaration states in the broadest possible ambit that the aims and purposes of ASEAN encompass everything from accelerating economic growth, social progress, and cultural developments to promoting regional peace and stability and active collaboration on all matters of common interest. The only rudimentary mechanism sketched out to achieve these ambitious aims was a Foreign Ministers meeting to be rotated annually and a Standing Committee composed of accredited member state ambassadors to be chaired by the host country's Foreign Minister, or his representative. Unlike the European Union (EU), ASEAN's original objective was not peace through regional integration, but rather dialogue to promote intra-regional confidence and cooperation to protect member states' autonomy vis-à-vis major powers in the region.

Geopolitical and strategic drivers as well as external factors played an important part in ASEAN's development. Whereas European integration was driven primarily by memories of its bloody past and the need to contain nationalism and manage inter-state rivalry, ASEAN's inception was caused by concern over future conflicts in a very volatile region. Thus, it could be said that the EU was driven principally by its history and ASEAN more by its geography (Yeo and Matera 2015, 270).

ASEAN's progress in its formative years was very slow, occasionally marred by residual disputes fuelled by continued mistrust amongst its members. However, major developments in the region and internationally, including the accelerated withdrawal of British forces east of Suez in 1968 and Nixon's Guam doctrine in 1969 following setbacks in Vietnam, added to the sense of uncertainty and insecurity that ultimately kept members together. In addition, a détente between the US and the USSR, as well as Nixon's overtures to China in the early 1970s, led to fears that the major powers would effectively carve out the Southeast Asian region by bringing parts of it into their respective spheres of influence. This led to the half-hearted attempt (due to differences in opinions amongst member states) to establish Southeast Asia as a Zone of Peace, Freedom and Neutrality (ZOPFAN).

Similarly, the impetus for holding the first ASEAN Summit in 1976, almost a decade after ASEAN was founded, was a response to the developments in mainland Southeast Asia. The withdrawal of American troops from Vietnam in 1973, followed by the communist victories in Saigon, Phnom Penh, and Vientiane in 1975, significantly altered the political configuration of the region. A communist Indochina was thus a major catalyst for greater cooperation in ASEAN.

During the Summit, the most notable document signed was the Treaty on Amity and Cooperation (TAC). TAC made explicit the principle of non-interference in each member state's internal affairs and the right to national self-determination free from external interference, subversion or coercion. The Treaty also called upon member states to renounce the threat or use of force and settle differences or disputes by peaceful means, reflecting the underlying political and security concerns driving ASEAN's continued development.

The TAC was a direct response to the events in Indochina. Together with the Declaration of the ASEAN Concord, it set out in greater detail a plan of action for expanding ASEAN cooperation that has since shaped ASEAN discourse. The concept of the ASEAN Way for example, which only became common discourse much later in the 1980s, can be traced back to the TAC. The agreement by the leaders to set up an ASEAN Secretariat was another important signal of their strong commitment to regionalism.

From a purely state-centric narrative of a diplomatic community, emerging from years of preoccupation with Vietnam's intervention in Cambodia between the late 1970s and 1980s, ASEAN's attention only switched to economic cooperation in the post-Cold War era of heightened economic competition. This was unlike the path taken early on by the EU in which economic integration and the creation of a common market were seen as a way to achieve peace and reconciliation. These cooperative efforts were underpinned by a strong legal framework and formal institutions. In contrast, ASEAN's cooperation was underpinned by dialogue and diplomacy. In contrast to the institutionalised model of regional integration in the EU, institutional minimalism, emphasis on consultation and decisions by consensus were celebrated as the ASEAN Way.

ASEAN's shift towards the EU lexicon of community building and the creation of a single market came about in the aftermath of multiple crises from 1997 to 2000. The Asian Financial Crisis (AFC), the transnational haze blanketing Southeast Asia due to the burning of forests and peatland for palm oil plantation, and the mayhem in Timor Leste following its independence vote all made ASEAN look "helpless", "disunited" and unable to provide a coordinated response. Many external observers predicted that ASEAN would become irrelevant unless it radically transformed itself. Internally, ASEAN elites were very much aware of the need to answer their critics and rebuild the credibility and legitimacy of the institution. The international standing of ASEAN was profoundly damaged by these crises, particularly in the eyes of its external partners in the broader Asia-Pacific region.However, at the same time, they were not prepared to fully concede the ASEAN Way. The typical discourse that follows such accusations of irrelevance is the need to supplement the ASEAN Way with institutions and embrace the "rhetoric of governance, democracy and human rights" (Lee 2012).

ASEAN began to take small steps towards reinventing itself in an attempt to remain relevant to its member states and the region. More importantly, it sought to regain legitimacy within the broader global community. ASEAN leaders understood the importance of being seen as a unified institution to allay any fears about Southeast Asia's inability to return Western investments. Hence, many declarations and initiatives to restore ASEAN's image in the eyes of the global community were issued. First, the ASEAN 2020 Vision was adopted, which was then followed by the Hanoi Plan of Action calling for the acceleration of AFTA and the reform and expansion of the ASEAN Secretariat. All of these measures were meant to show the world that ASEAN was becoming a more unified, coherent and effective regional organisation (Narine 2009).

The AFC also revealed the interdependence of Northeast Asia and Southeast Asian economies leading to the creation of the ASEAN + 3 (APT) forum. Economic cooperation began to take centre stage as ASEAN members realized that individual actions were not enough to restore previous competitiveness and high levels of economic growth, especially in the face of competition from China and India. As former Secretary-General of ASEAN Severino noted in his book, the then prime minister of Singapore and a few other ASEAN leaders "were deeply concerned over the weakened ability of ASEAN countries to attract foreign direct investments, on which all of them depended for sustained economic growth" (Severino 2006, 343). The response was to embark on an ambitious programme to build an ASEAN Economic Community. At the 2003 ASEAN Summit, to signal their seriousness about regional integration, the leaders adopted the ASEAN Concord II, declaring that "an ASEAN Community shall be established comprising three pillars, namely political and security cooperation, economic cooperation, and socio-cultural cooperation that are closely intertwined and mutually reinforcing to ensure durable peace, stability and shared prosperity in the region".

The intensification of economic cooperation within ASEAN and desire to build a Single Market was also a response to the impact of heightened globalization and the opening up of China as it emerged as the world's factory. To compete with China and also benefit from China's rise, there was and still is a need for ASEAN to deepen its economic integration. This led ASEAN to examine the EU experience and brought with it the narrative of the need for greater institutionalisation anda more rule-based ASEAN. The European Union and its single market were often invoked as a reference point during this period for ASEAN to make its market of over 600 million consumers a more attractive option for investors and economic partners via greater internal integration.

The narrative of building an ASEAN Community was made to regain its economic competitiveness and strategic credibility. The EU, ASEAN's dialogue partner, was more than happy to share its regional integration experience and actively supported such capacity building towards achieving an ASEAN Community by 2015. However, to achieve this goal, a review of ASEAN's processes and institutions was necessary. Such a review, in turn, led to the drafting an ASEAN Charter that would spell out the aims, aspirations, powers and structure of the institution, aiming to establish it as a rules-based organisation.

The ASEAN Charter was signed in November 2007 and came into force in 2008. The Charter drafting process demonstrated interesting divergences, with the compromises being made essentially causing ASEAN to remain an inter-governmental organisation. This was in line with the ASEAN way of non-interference and decision-making based on consultation and consensus, while also reiterating many of the fundamental principles contained in the TAC. There were some institutional innovations, such as creating the ASEAN Community Councils to take on the mantle of building an ASEAN Economic Community, an ASEAN Political and Security Community and an ASEAN Socio-Cultural Community. Taking a leaf from the EU's institutional structure of the COREPER (Committee of Permanent Representatives), ASEAN Member States were required to appoint a permanent representative (of Ambassador rank) to the ASEAN Secretariat based in Jakarta. The ASEAN Secretariat was also to be strengthened to oversee and report on the progress of community building. The most significant shift in response was the call for the establishment of an ASEAN Human Rights Body, which was welcomed by ASEAN civil society. This was also part of the shift towards a narrative for a more people-oriented ASEAN.

For a decade after the 2003 ASEAN Concord II pronouncement to build an ASEAN Community, there was much optimism that ASEAN was on track towards becoming a more people-centred entity benefiting from regional integration–helping to close development gaps, strengthen democracy and good governance, and achieve peace, security and stability.
Unfortunately, ASEAN has thus far fallen short of the goals and aspirations that it has set up for itself. Lofty goals and aspirations have not been matched by the real institutional changes and reforms needed to achieve them.

The EU's experience in regional integration and community building was politely acknowledged but never fully accepted. ASEAN leaders took careful note with regards to specific technical issues, such as the mutual recognition or harmonization of standards for manufactured products to achieve cost efficiency and facilitate the flow of goods within the ASEAN Economic Community. Yet ASEAN was not ready to make the leap towards pooling sovereignty and delegating a certain degree of authority and power to independent institutions, as the Europeans did in their community-building project.

ASEAN COMMUNITY-BUILDING: CHALLENGES AND PITFALLS

The word integration did not appear in ASEAN's vocabulary until the 1990s. And for most of its development, ASEAN had rejected the EU model of integration. It was only after the Asian Financial Crisis that institutionalisation and integration became buzzwords in ASEAN. By declaring its aspirations in 2003 to build an ASEAN Community, the comparisons to the EU became ubiquitous with talks of moving towards a rule-based organisation, adopting an ASEAN Charter and acquiring a legal personality. Yet, despite all the discussions about integration and community-building, the ASEAN Community and ASEAN regionalism is a far cry from the textbook understanding of regionalism and integration.

ASEAN has thus far seemed to develop its own brand of "regionalism". Its development trajectory has not followed that of the European Union, as it has stayed firmly in the political sphere of power politics without developing an inner sphere of community truly governed by treaties, rules and laws. The EU wanted to use the legal institutions to tame the power politics that wracked its nations and led them to disaster. In contrast, ASEAN has continued to rely on traditional diplomacy to reach a grand bargain for peace and stability in Southeast Asia. Yet recent efforts in charter-drafting and the pronunciation of an ASEAN Community signal some aspirations to move beyond power politics and diplomacy to cement a more permanent and proactive role in the region. Henceforth, it included the narrative of ASEAN being in the driving seat and the importance of maintaining ASEAN centrality in the Asia-Pacific.

ASEAN has moved progressively away from loose intergovernmental collaboration towards far more explicit security activism (as seen in its initiatives such as the ASEAN Regional Forum and the ASEAN Defence Ministers Meeting) and a greater emphasis on economic cooperation reflected in the objectives and Blueprint for the ASEAN Economic Community. It has tried to maintain two parallel tracks–one for "security regionalism" through dialogue and confidence-building via the ARF, the ADMM Plus and the East Asia Summit (EAS); and the other for "economic regionalism" through emphasising both intra-ASEAN integration in the form of the ASEAN Economic Community and broader integration into the global market by pursuing FTAs with its dialogue partners.

However, the reality is that there are complex linkages between economic and security regionalism on the one hand and the increasing volatilities in the security landscape of the Asia-Pacific region on the other. Moreover, the rise and assertiveness of China has constrained ASEAN's room for diplomatic manoeuvrability and impacted its appetite for economic integration.

In the first decade of the 21st century, when China was biding its time, hiding its strength and expounding a peaceful rise-narrative, ASEAN's economic relations with China flourished. However, even as economic ties grew closer, the territorial disputes in the South China Sea between several ASEAN members and China were never far from the surface. History and geography conspired to leave a residual distrust and suspicion against China, despite growing economic interdependence. Hence, US presence in the region was very much welcomed as a counterweight to a rising China.

These changing big power relations in the region combined with the return of geopolitics and the rising tide of nationalism and protectionism will pose challenges to ASEAN's further development. ASEAN has achieved a lot in the less complex, bipolar environment of the Cold War and even thrived during the unipolar moment of the US-led Western-centric order. However, it is not certain that ASEAN will succeed in its community-building efforts in the current era of uncertainty.

Just as ASEAN began to take small steps towards greater institutionalization in response to the post-Cold War environment, its security climate would become far more complex. With the passing of the bipolar world order and then the unipolar moment, the question has come – what can ASEAN do about the intensifying rivalry between the US and China?

The economic reality now is also far different from the economic conditions in the late 20th century and the first decade of the 21st century. In a relatively benign economic environment under US hegemony characterized by openness and growth in the developed countries, ASEAN members needed only to "manage" economic growth using an export-driven strategy. However, as growth has slowed and debt continues to pile up in the developed world, developing countries, including those from ASEAN, need to be far more astute to create the necessary conditions for growth. Adding to the already complex economic landscape and the possible bifurcation of technological developments between the US and China, the region faces a pandemic like never before. The full economic impact of Covid-19 and the socio-political fallout is still being played out. How can ASEAN cope with all these difficult challenges?

Some in ASEAN might think that the choices and decisions ASEAN made may have little or no impact whatsoever on the broader canvas of the regional order. The latter would be shaped purely by big power relations and how the US-China rivalry develops. The shift in narrative from the Asia-Pacific region to the Indo-Pacific region and the formation of the Quad, an alliance between the US, Japan, India and Australia in the Indo Pacific, has caused many to predict the "demise" of ASEAN.

ASEAN's demise has been bandied about several times since its founding in 1967. Some analysts did not expect it to last more than a decade. Then, it was predicted that the glue that had held ASEAN together during the Cold War era would no longer remain as Member States faced external and domestic pressures on human rights and democratization in the immediate post-Cold war years. The Asian Financial crisis also dealt a big blow to ASEAN's credibility, and many then portrayed it as a sunset organization. The rebound embodied in the bold pronouncement to build an ASEAN community could not have been envisaged at the cusp of the 21st century. The enthusiasm and optimism both internally and externally towards the community-building project following the 2003 Bali Summit caught many by surprise.

However, the current challenges are different–not only immense in scale but also complex in nature. How will ASEAN manage the tensions between "parochialism and nationalism" and "globalization and complex interdependence"? And what about its relations with China which are marked by paradoxical trends of increased economic interdependence but decreased trust in the security arena, in particular, pertaining to Chinese policy and behaviour in the South China Sea? How will ASEAN navigate the increasing rivalry between the US and China and balance its relations with these two superpowers? And last but not least, what kind of recovery and transformation from the ravages of Covid-19 can we expect in the region, given that a second, third or fourth wave is hitting several ASEAN countries?

The Covid-19 pandemic has seemed to put the brakes on ASEAN's community building efforts, which were already flailing even before the onslaught of Covid-19. Gains made towards achieving the ASEAN Community in 2015 began to regress as pushback against globalization and nativist and far-right movements took root across the developed economies. Brexit, the US election of Trump and his America First rhetoric and policies, and technological disruptions unleashed a torrential shower on the integration project. When the most successful regional project, the European Union, showed signs of disintegration after the British voted to leave after over 40 years in the European community, a note of caution was sent to ASEAN on how far and how fast to push the vehicle of economic integration.

ASEAN's community-building journey has never been smooth-sailing. The classic "two steps forward and one step back", often encountered when embarking on a difficult journey, was to be expected, but in the case of ASEAN, it sometimes felt more like one step forward and two steps back. Both domestic politics and external forces conspired to make ASEAN's community-building efforts exceedingly difficult. When internal unity, leadership and long-term strategic thinking are required, several ASEAN members are plagued by political instability and domestic power struggles. Without the requisite institutions and technocratic capacity similar to that which the EU has painstakingly built up in their regional integration, ASEAN's ability to make real progress is held hostage by the political inertia and lack of regional leadership, with members becoming too self-absorbed in their own domestic political troubles.

Compounding these internal challenges is the external environment. In the 1990s, with the end of the Cold War, attention was turned to competition in the economic arena–the dominance of the neo-liberal economic agenda which touted the importance of free trade, market discipline and economic integration. The so-called Washington Consensus was further thrust upon the ASEAN economies after the Asian financial crisis. However, the Washington Consensus was challenged by the 2008 Global financial crisis, the rise of China and increasing income inequality. Moreover, the election of Donald Trump sounded the death knell of the Washington Consensus. The retrenchment of the neo-liberal agenda has given fuel to a more economically nationalistic agenda that has always been present to some degree in Asia but was kept under wrap during the euphoria of market liberalism and fundamental belief in free and open trade. With the latter increasingly being questioned, it was not surprising to see a rise in non-tariff barriers in the last 2-3 years. Behind the border, such measures continue to be stumbling blocks towards achieving an ASEAN Economic Community.

ASEAN's struggle to build a single market characterised by the free flow of goods, services and investments, as well as the free flow of capital and skilled labour, is not helped by complex, non-traditional security threats as well as worsening strategic tensions between China and the US. Moreover, all of these challenges are exacerbated further by the COVID-19 pandemic.

Seen from the perspective of the EU, a longstanding ASEAN-dialogue partner that has tried to support ASEAN's integration in recent years, the lack of progress in ASEAN's community-building comes down to the group's repository of cooperation norms and its organizational structure. The ASEAN Way, with its emphasis on consultation and consensus and its jealously guarded principle of non-interference, limits what ASEAN can truly achieve. The over-worked and under-resourced ASEAN Secretariat is a far cry from the European Commission–an EU institution that is the "guardian" of the EU treaties and acts as its conscience, turning principles of treaties into applicable laws and policies. The EU has engaged in several programmes to help build capacity in the ASEAN Secretariat. However, the real crux of the problem is the unwillingness of the ASEAN Member States to delegate more power to the Secretariat. The ASEAN Secretariat is a secretariat in its most literary sense, preparing the papers and taking notes of the meetings and decisions made. It has no power to initiate policies or ensure the compliance and implementation of decisions or policies agreed by the ASEAN Member States.

Also absent from the ASEAN's organizational structure is an institution similar to the Court of Justice of the EU (CJEU). Thus, while the ASEAN Charter conferred ASEAN with a legal personality, the truth is that ASEAN's cooperation remained firmly driven by national interest and political bargaining, not by institutions and legal norms.

While it seems obvious that ASEAN's organizational structure and lack of institutional capacity are stumbling blocks towards community-building, the more important reason for the slow progress in is the increasingly divergent interests driven in part by domestic political developments which have become more complex and polarized due to the impact of social media, rising inequalities, etc. As elaborated earlier in this section, ASEAN suffers from a lack of regional leadership because several members are deeply embroiled in domestic political troubles. The military coup in Myanmar is just one stark example of this.
Will ASEAN members be able to snap out of such a political quandary and breathe new light into their regional community-building efforts? The signs thus far are mixed.

COMMUNITY-BUILDING 2.0?

The COVID-19 pandemic and February 2021 coup in Myanmar have shone a spotlight on the immense challenges that ASEAN faces. Community-building appears to be on hold as several ASEAN countries continued to struggle with containing the spread of the virus and its fallout. While several ASEAN countries did relatively well in containing COVID-19 during the first wave of the infections in 2020, the second and third waves fuelled by the Delta variant beginning in 2021 have worsened the situation in many key ASEAN economies, from Indonesia and the Philippines to Malaysia and Thailand. Even Vietnam, which has been hailed as one of the countries successfully keeping COVID-19 under control, is now under pressure from outbreaks amongst workers in its manufacturing industries.

Yet, ASEAN does not have the luxury to stand still in its community-building efforts. If it continues to backslide, it risks sinking into oblivion. During the 37th ASEAN Summit held in 2020, ASEAN leaders adopted the ASEAN Comprehensive Recovery Framework (ACRF), which set out broad strategies and implementation measures to address the region's socio-economic challenges in three different phases–from the short-term reopening stage to medium-and-long-term recovery and longer-term resilience and sustainability. The adoption of the ACRF signals the ASEAN members' recognition that addressing the crisis requires coordinated actions and the strengthening of cooperation with ASEAN's partners.

One of the most significant achievements amid the COVID-19 pandemic has been the conclusion of the ASEAN-EU Comprehensive Air Transport Agreement (CATA) on 4th June 2021. The conclusion of CATA and the signing of the Regional Comprehensive Economic Partnership (RCEP) agreement in 2019 point the way towards a community-building approach that actively involves ASEAN's partners in fostering and "forcing" more intra-ASEAN coordination and cooperation.

As the rivalry between the US and China has intensified, a 2021 Southeast Asian survey by ISEAS-Yusof Ishak institute showed that the majority of Southeast Asians do not want to be forced to choose between the two. Instead, they would prefer ASEAN to enhance its resilience and unity to fend off external pressures from the US and China (The State of Southeast Asia Report 2021, 2). Japan and the EU have now become the frontrunners and preferred partners in the hedging games against the US-China rivalry.

For ASEAN to build its resilience and work toward a cohesive community, the roles of Japan and the EU should be seriously examined. ASEAN Member States need to engage Japan and the EU more proactively to build connectivity as a requisite for the ASEAN community. There is great potential in ASEAN putting more substance into its recently elevated EU-ASEAN Strategic Partnership and applying the technique of "intra-regionalism" through "inter-regionalism". ASEAN members can build more internal coherence through step-up engagement with the EU, including reviving the inter-regional EU-ASEAN FTA. Suppose a comprehensive, high-quality FTA is not possible at this juncture. In that case, ASEAN could use the example of CATA to pursue a sectoral agreement with the EU in other functional areas such as renewable energy and more.

A more active application of the ASEAN X principle or introducing "opt-outs" similar to those adopted by the EU, such as Denmark and the UK opting out of the single currency, would also be a way for ASEAN to continue with deeper regional cooperation amongst members ready to proceed. This principle is especially important as we face dilemmas posed by the coup in Myanmar. As ASEAN dialogue partners such as the EU impose sanctions on Myanmar, we have to learn from the decade of experience between 1998 and 2008 not to allow this incident to become an infamous millstone in our community building efforts for ASEAN (Yeo 2020).

Community-building 2.0 should also be a more bottom-up approach and involve more public-private partnerships than the old school, state-centric, top-down approach. The digital transformation that has been accelerated because of COVID-19 and the growing digital economy are full of opportunities. As noted by Lee Joo-Ok, Head of Regional Agenda, Asia-Pacific of the World Economic Forum (WEF):

> *A survey conducted on 60,000 ASEAN youths revealed that ASEAN youths adjusted to the Covid-19 environment by significantly increasing their digital footprint: 87% of youths increased usage of at least one digital tool during the pandemic, 42% picked up at least one new digital tool, and about 25% e-commerce sellers were a first-time user. Moreover, a significant majority of youths confirmed their intended permanent use of the digital tools beyond the pandemic. (Lee and Nguyen 2021)*

ASEAN has moved forward with regional policy efforts to support the digital economy. It has developed a framework for cross-border payments, a plan to promote smart manufacturing and guidelines for the 5G ecosystem. "To complement ASEAN's efforts, the World Economic Forum's Digital ASEAN Initiative is bringing people together to pursue solutions on data policy, digital skills, e-payments and cybersecurity" (Lee and Nguyen 2021). The tech start-up scene in Southeast Asia is also flourishing, and young entrepreneurs in ASEAN will be one of the driving forces of ASEAN Community Building.

Community-building 2.0 also requires ASEAN to become more cohesive, flexible, and agile at the same time. It may sound paradoxical, but the dilemmas ASEAN faces between its economic development and security require a certain degree of cohesiveness as well as nimbleness.

For the first 30 years, ASEAN focused on playing a balancing and hedging game, employing all the necessary measures to maintain regional stability. A combination of external fear and challenges as well as an internal quest to build trust and modernity kept the five founding members of ASEAN together. However, with the enlargement of ASEAN and the emergence of an increasingly complex situation fuelled by the end of the Cold War, the rise of China and now increasing competition between the US and China, external fear and challenges appear to have split the ASEAN members, leading to less coherence.

ASEAN is now at a critical juncture in which it has to manage a worsening strategic environment while also trying to build internal coherence, made more difficult because of greater political pluralism and social awareness. Faced with these forces, ASEAN (logically) needs to move towards greater integration to attain a centrality of substance rather than merely rhetoric in the region (Yeo and Matera 2015, 284–285). At the same time, agility and resilience are crucial in an increasingly volatile, unpredictable, complex and ambiguous world, still ravaged by the COVID-19 pandemic. All of these achievements will, however, not appear serendipitously. On the contrary, it requires leadership–not hegemonic leadership or leadership by the biggest or richest–but thoughtful and creative leadership.

CONCLUSION

The "regionalist" impulse of ASEAN and the EU in their founding years and later efforts at community-building must be understood within their historical contexts, which have resulted in different trajectories. The EU was infused with a certain moral, political finality of an ever closer union with the implicit long-term vision of a peaceful, united Europe in its early years. In contrast, ASEAN was more modestly crafted with no grand vision, except to hold communism at bay, keep interference from big powers to a minimum and maintain the balance of power in a volatile region. The idea was that member states would come together when necessary, whether against a common threat or when the balance of power was in danger of being overturned.

The European vision of an ever closer union has led to a certain linear, teleological thinking of deepening integration through a set of common institutions and policies and policy coordination in an ever greater number of areas. In contrast, ASEAN's developments were shaped in unexpected ways via the members' actions in response to the changing regional environment. Thus, for example, it took almost ten years before ASEAN held its first Summit and decided to set up an ASEAN Secretariat in response to the communist victory in Vietnam.

It would take ASEAN another 15 years until the end of the Cold War as a new wave of globalization took hold before economic integration began to take centre stage with the proposal of a free trade area.

The journey towards building an ASEAN community began only in 2003 in the aftermath of the AFC alongside the opening up of China and increasing apparentness of its economic weight. As a result, ASEAN started to pitch a much more economic-oriented narrative, presenting itself as a region with good economic fundamentals and high potential. Indeed, ASEAN's full economic potential could only be unleashed with greater internal economic integration and further assimilation into the global economy.

Unfortunately for ASEAN, its community-building efforts have been distracted by member states' domestic politics and made more difficult by an increasingly complex and contested regional environment. How ASEAN and its member states respond to the various challenges to revive its community-building project will determine the future fate of ASEAN.

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