

November 2018

country report

Regional Programme Political Dialogue Asia



The 33rd ASEAN Summit - A Review

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It is difficult these days to go about one's daily business in the popular shopping area around Singapore's Suntec City Convention Centre. The cause of the congestion is the second summit of the Association of Southeast Asian Nations (ASEAN) in 2018, together with a number of additional meetings with selected external partners ASEAN traditionally hosts in the margins of this biannual summit. The most important among the additional meetings being held this year is the East Asia Summit (EAS). Incidentally, it was in the same building, Suntec City Convention Centre, where members of the newly formed World Trade Organization came together for the first time in 1996 - just months before the region entered the biggest economic crisis in its history.

While the context for the current ASEAN summit is less gloomy, the region is still experiencing difficult times and faces many complex challenges. As the summit came to a close on Friday, the following five conclusions can be drawn: there is movement in the South China Sea; the major powers continue to rely on ASEAN; joint pressure on Myanmar seems to be bearing fruit; the economic integration of ASEAN is progressing; and, the US under President Trump has become a less reliable partner than the region wishes for.

Before Thailand officially takes over the annual rotating ASEAN Chairmanship, the Chairman-in-Office spelled out his priorities for the future development of the Association in a highly anticipated plenary address. The five conclusions drawn here can be extracted from Singapore Prime Minister Lee Hsien Loong's address. During the 33rd ASEAN Summit, Lee highlighted three topics as important to ASEAN's development in the short and medium term: ASEAN Centrality, Economic Connectivity, and the Consensus Principle.

The Centrality of ASEAN in a Complex, Strategically Important Region

Singapore's Prime Minister Lee stressed the importance for the ten ASEAN member states to jointly protect the many regional and international forums maintained by ASEAN as well as the open, rule-based order in the Asia

Pacific and the Indian Ocean. With this appeal he referred to the so-called centrality of ASEAN: the establishment of an institutional infrastructure around the host ASEAN which includes the East Asia Summit (EAS), the ASEAN Regional Forum (ARF), and the ASEAN Defence Ministers' Meeting Plus (ADMM-Plus), which is the meeting of defence ministers of the ASEAN-Ten and its international dialogue partners Australia, China, India, Japan, New Zealand, the Republic of Korea, the Russian Federation, and the United States. The ADMM-Plus and the EAS are of paramount importance for dialogue and stability in the Indo-Pacific region.

Nonetheless, despite first positive signs at the beginning of the week, expectations were not met entirely. While the People's Republic of China pledged to conclude the Code of Conduct regulating South China Sea Interaction within three years, it should be remembered that negotiations have continued for some 16 years now. Moreover, the principles agreed with China are far from those rules arising from the international law of the sea. Finally, even if the Code of Conduct should come into force in three years, the rules are likely to be non-binding. Therefore, the much more fundamental issue of the future of the rule-based order in the region moved into the spotlight of the discussions.

The Rule-based, Liberal Order is Uncertain

The liberal, rule-based order is what has made the region prosper. All ASEAN states, vulnerable due to their relative economic and military weakness in relation to the major powers of the region, are aware of this. Today, however, the established order is being called into question more so than it has been in decades. This uncertainty over order stems not only from China's rising influence in the region, but also from the increasingly critical stance of the United States as the superpower, which first propagated this order and then enforced it. Under the leadership of President Trump, the United States has continually lambasted the rules-based order that creates the foundation for peace, stability and prosperity in Asia and Europe. To the US President, multilateralism and liberal trade regimes do not signify the cornerstones of an international order but instead pose obstacles to the future progress and power of the United States. Instead of the admittedly protracted and complex processes of liberal multilateral dialogue and compromise, which lay the foundation of reliable rules, there is now a preference for bilateral talks. President Trump remains an unknown in the diplomatic calculations of states in the region, states that are reliant on the permanence of the US security guarantee. As such, the future of the established international order – an order that impacts upon the US and China – is uncertain.

Against the background of these disturbing developments, by far the most important multilateral forum for the Indo-Pacific region, the EAS, is gathering on the margins of the ASEAN summit this year. Given the uncertainty over US interests in multilateralism in general and specifically, in the preservation of a rule-based order in the region, the intensifying strategic rivalry between China and the US is becoming particularly worrisome. Furthermore, the obvious disinterest of the US President, exhibited by his decision to stay away from the summit and to send his deputy Mike Pence instead, is unsettling.

The President appears unconcerned by the significance awarded to matters of protocol in Asia. Owing to these two points, ASEAN can no longer be sure of its role as mediator for issues of stability in the Indo-Pacific guaranteed by the ASEAN-based multilateral order. Instead, the ASEAN states increasingly feel drawn in different directions.

It is unsurprising then that the concept of the so-called Indo-Pacific has become one of the major topics of the EAS. ASEAN states are concerned about the apparent successive replacement of the Asia-Pacific's geopolitical space with the Indo-Pacific – a concept propagated initially by Japan, the US, India, and Australia (QUAD). In particular, the involvement of India suggests the Indo-Pacific is a neo-containment strategy vis-à-vis China.

Should the four democratic regional powers be able to pool their ideas and to expand them into a holistic strategy for the future of regional order, what then will be the role of the largest and long-tested provider of regional multilateral dialogue? Understandably, ASEAN fears for its place in a regional order dominated by bi- and mini-lateralism and increasingly determined by major powers.

Thus, there was some relief as all four of the QUAD states not only emphasized but also championed the role of ASEAN. While Mike Pence faithfully stuck to the new Terminology Free and Open Indo-Pacific throughout the EAS, the three other heads of government underlined ASEAN's role as an essential partner in their foreign policy. Pence reassured ASEAN by underscoring the Association's key role at the US-ASEAN summit on the same day, while also emphasizing the "US-ASEAN Strategic Partnership" as one of the pillars of US strategy in the Indo-Pacific. If this had come from the President himself, ASEAN would have been even more inclined to believe it true.

Nonetheless, some calm has returned to the ten states of Southeast Asia. Effort will now be made to integrate the Indo-Pacific concept into its own strategic and institutional plans. This effort may

already be taken under the Chairmanship of Thailand

Internal and External Economic Connectivity

Another discussion point at the ASEAN summit was the uncertainty surrounding global economics. This uncertainty is driven by the new American aversion to trade agreements, the increasing isolationist instinct of many states, the declared trade war between the US and China, and an ever-increasing regional dependence on China for the future of free trade on which the socio-economic success of Asia is built. The volume of trade between the US and ASEAN amounts to approximately USD 330 billion while trade relations between China and ASEAN total just under USD 520 billion, with an annual increase of approximately 13 percent. The withdrawal of the US from the TPP agreement reinforces the fear that Washington may relinquish its role as the guarantor of free trade. Owing to this, all free trade negotiations are now focused on the Regional Comprehensive Economic Partnership (RCEP) agreement – an agreement held to be the future of trade relations in the region. Negotiations are expected to be concluded next year when the agreement will also enter into force. As the agreement will unite ASEAN along with its regional dialogue partners Australia, China, India, Japan, South Korea and New Zealand, under one trade agreement it will further strengthen the position of China and India in the region relative to the US.

Internally, ASEAN must accelerate economic integration within the framework of the ASEAN Economic Community (AEC). In particular, the ASEAN Single Window, the synchronization of national customs and trade regulations as well as improved connectivity between Southeast Asian companies, must be promoted. This measure will strengthen ASEAN domestic trade which even three years after the establishment of the AEC remains far below that of Europe with 25 percent and 70 percent respectively. As such, there remains ample opportunity for growth. An expansion is not only sensible, but also a low-hanging fruit – an achievable goal and an

important step on the way to the significantly important socio-economic homogenization of Southeast Asia.

The Singapore-led ASEAN Smart City Network aimed at strengthening digital connectivity of Southeast Asian cities was further promoted and endorsed by all stakeholders as a desirable goal. The highly developed city-state of Singapore is well-positioned to further the project of digital infrastructure development of Southeast Asian cities beyond its own chairmanship in order to create synergies between ASEAN's smart cities and to improve the socio-economic connectivity of the region.

The Principle of Consensus: Concurrently Brake and Basic Building Block

The last point PM Lee highlighted in his speech was the need for internal unity in ASEAN. Despite all the disagreements, ASEAN must adhere to its consensus principle, which underlies all decisions and declarations, and thus secures the unity, relevance and effectiveness of the regional body. The principle of consensus is critical to the regional body yet symbolizes a contradiction that both helps ASEAN and holds it back. For years, Southeast Asia has suffered from weak regional institutions vis-à-vis matters of transnational security.

Once again, it was the human rights situation in Myanmar that triggered the discussion at this year's ASEAN summit. Based on the ASEAN principle of mutual non-interference in internal affairs, ASEAN member states have for years been prevented from effective work on Myanmar's treatment of the Muslim minority Rohingya in the southwestern Rakhine state. Official statements by individual governments in ASEAN critical of Myanmar and its treatment of the Rohingya are rare while a clear position by ASEAN as a community is missing entirely. However, having recently returned from retirement to the role of head of the Malaysian government, Prime Minister Mahathir addressed the deadlocked situation and questioned the defensive attitude of the Myanmar government. Tun Mahathir did not care much about the

ASEAN principle of consensus when he spoke openly at the summit about the situation which many in the region have long whispered about behind closed doors. Mahathir proclaimed that he has lost faith in de facto Prime Minister Aung San Suu Kyi, who appears to be trying to excuse the inexcusable. The military and executive government organs of the Myanmar government continue to persecute the Muslim minority on the basis of ethnic-religious resentment, declared Mahathir.

Of course, the UN and numerous international NGOs have long come to the same conclusion. Nonetheless, the intervention by ASEAN's de facto grey eminence is of particular significance. After all, it was Dr Mahathir, then Prime Minister of Malaysia, who ten years ago made a strong case for freeing Aung San Suu Kyi from house arrest in order to bring Myanmar into the fold of the regional organization of ASEAN. He was convinced Myanmar's inclusion in regional and international organizations would permit it to benefit economically as well as end its military dictatorship and move it towards democratization. Today, Aung San Suu Kyi seems as uncompromising as the generals when it comes to recognizing the country's Muslim minority and integrating its members into Myanmar society.

For the first time, ASEAN states - thankfully flanked by US Vice President Mike Pence - put genuine public pressure on Aung San Suu Kyi to assume responsibility for the fate of the at least 700,000 Rohingyas who have fled Myanmar. Beyond the suffering of the persecuted minority, it was clearly communicated, as never before in ASEAN, that this is a humanitarian disaster that harms ASEAN and presents the largest stumbling block for the regional organization. The ASEAN community's pressure has persuaded Myanmar's government to finally allow humanitarian aid from the region to be delivered to affected Myanmar citizens suffering from the disaster. The government has now agreed at the summit to approve an ASEAN mission to Myanmar - and indirectly conceding there is a humanitarian problem of regional importance. Thus far, the Rohingya question was primarily considered as an internal domestic matter. The

ASEAN Humanitarian Assistance Center will now send a team to the country to identify aid and cooperation opportunities and to support - and monitor - the repatriation and integration of the refugee Rohingyas.

Unusual for ASEAN and Singapore, the chairman's summit statement was not subject to ASEAN unanimity. Furthermore, the statement publicly called on Myanmar's government to investigate human rights violations in Rakhine State and to bring the guilty parties to justice. All in all, without a doubt, this is a win for ASEAN and for the Rohingya.

Ultimately, the summit was a success. There has been movement in the South China Sea negotiations, the QUAD countries have given ASEAN a future role, Malaysia's pressure on Myanmar seems to be bearing first fruit for ASEAN, and Singapore is pushing for progress in economic integration. ASEAN experts will also have noticed how Singapore, which has often been regarded with suspicion and little bit of envy by its ASEAN neighbours, made one thing very clear at this summit: unlike often accused, Singapore is by no means planning to leave the less developed region behind but has instead unequivocally declared ASEAN as the cornerstone of its foreign and trade policy. Singapore is a founding state and will continue to be an engine of regional developments.

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