

PUTRAJAYA 2016

THE NEXT 50 YEARS FOR ASEAN

Introduction

To begin with, it is with great pleasure that I inform the audience that representatives of ASEAN plus 6 were in my home town, Pune, for a training session in Feb/March this year. It indicates the extent of ASEAN's reach in Asia and India's relations with the organization.

21 century has changed the security paradigm. The frontiers of technology have been crossed and re-crossed at a rapid rate and new methods of conflict have been found.

Today security issues are also connected to climate change, water, energy, migration, food, the cyber world, space etc and terrorism.

Peace has been sought through complex mechanism of trade and socio-cultural bonds. Towards that end ASEAN has played a significant role in a troubled world.

It is to the credit of ASEAN that it held together through difficult times and contributed to peace and stability in the region. Economically it prospered and continues to do so.

ASEAN has come a long way since the first summit was held in Bali in 1976. Today we try to find an answer to the question "What is it for ASEAN in the next 50 years". In order to make an assessment it is necessary to take stock of the challenges posed by the strategic environment in Asia in which ASEAN will have to play an important role in the years ahead.

ASEAN & The Strategic Environment in Asia

China

China has emerged has a leading challenger to the US's economic and military might. Some of China's strategic priorities in the 21st century are:

- a) It sees 21st century as a “strategic window of opportunity” to become a global power.
- b) To change the present uni-polar world to a multi polar one in which it will be the other super power.
- c) Expand military power, doctrines and activities. This suggests that in due course of time it plans power projection within the region and later trans-region.
- d) Assimilation of Taiwan.
- e) China looks forward to resolving disputes with Japan in the East China Sea; and over Spratly and Paracel Islands with Brunei, Philippines, Malaysia, Indonesia and Vietnam.

These islands lie in the South China Sea through which strategic SLOCs pass. China's determination and aggressive policy to dominate the SLOCs will continue to raise tensions in the years ahead.

Therefore, China's strategic objectives pose a great challenge to ASEAN and will continue to do so in the foreseeable future.

The silk route. The Chinese initiative of “belt and road”, backed by an extensive China-led funding of infrastructure will have a tremendous economic and geo-political impact globally. Chinese President Xi Jinping has stated that the trade volumes among the Silk Road economies would touch \$ 2.5 trillion over the next 10 years.

The “belt and road” are expected to connect the vibrant East Asia economies at one end and developed European economies at the other. The economic prospects of the initiative are immense, ASEAN will stand to benefit economically, if the project is successful.

However, its strategic calculus can have consequences for the existing global balance of power. It could shift the centre of geo-economic power towards Eurasia, and have a direct impact on the US strategy of “Rebalancing”. ASEAN will have to factor this possibility in its vision for the next 50 years to cope with the resultant challenges.

US Concept of Re-Balancing

The US has been promoting the concept of “Pivot to the East”, also known as “Re-Balancing”. It is a direct challenge to China’s new foreign policy of “fu xing” which seeks to restore China’s status as the major world power.

The US has been strengthening political and military relations with Taiwan, South Korea, Japan, India, Indonesia, Malaysia, Philippines, Thailand, Vietnam, Australia and New Zealand. Although Washington denies that these measures are anti China, China believes they are just that.

This strategic power play is not a matter of few years. It will continue for decades as the US and China jostle for dominance in the region and along the sea lanes of communication, inexorably drawing the countries enroute into the complexities of the power play. The nerve centre of this power play passes through ASEAN countries; they will feel the heat of friction in the decades ahead.

Sunny Lands Summit Points to Future. President Barack Obama hosted ASEAN leaders in the US in Feb 2016. The convening of the first-ever meeting with Southeast Asian leaders in the United States is both a powerful indication of Washington’s commitment to Southeast Asia and a clear signal by the Obama government to the next US administration about the importance of ASEAN.

The 17-paragraph joint statement listed out principles for respect for freedom of navigation and sustainable and inclusive economic development, terrorism, human trafficking and climate change. Three of the seventeen paragraphs in the U.S.-ASEAN joint statement dealt with maritime security; this is really significant. It indicates how important maritime security is to the stake holders.

On the security side combating the Islamic State (IS) and contending with China’s growing assertiveness in the South China Sea were also discussed.

ASEAN can look forward to continued engagement by the US on security and trade issues in the decades ahead. But ASEAN will have to chart its diplomatic moves taking great care not to upset China on the one hand, and on the other continue to benefit by its relationship with the US. Not an easy call by any measure.

Regional Nuclear Powers

On the Eastern flank of ASEAN lie three nuclear powers, China, India and Pakistan. India and Pakistan have tense relations over territorial claims and terrorism issues. These have already led to four wars and continuing problems of terrorism. While a nuclear war remains unlikely, a limited conventional conflict could be sparked under certain circumstances.

In the case of China and India there has been considerable progress in reducing tensions, borders have remained peaceful and trade has prospered.

The dynamics of nuclear power play and use of non-state actors will continue to haunt the region in the foreseeable future. ASEAN's outreach and economic initiatives with the neighborhood countries could be affected by the resultant tensions in the environment.

However, Indian support and cooperation with ASEAN is likely to increase in the decades ahead. This would strengthen ASEAN's ability to achieve its stated goals and deal with difficult situations.

Nuclear North Korea

North Korea has made visible efforts to break out of diplomatic isolation by improving relations with South East Asian countries. It has improved trade with ASEAN, in the process it has also reduced its dependence on China.

In the years ahead this trend is likely to continue and ASEAN will benefit from good ties with North Korea. However, if international pressure continues to grow on North Korea and matters come to a head, ASEAN may have to re-evaluate its position and relations with that country.

When North Korea launched 3 ballistic missiles in May 2015, ASEAN foreign ministers expressed "concern" at their annual summit meeting. However, when North Korea tested its nuclear device on 6Jan2016, drawing strong worldwide criticism including from its allies China and Russia, ASEAN's response was muted, though Vietnam and Thailand wanted ASEAN to issue a strong statement.

ASEAN will have to tread the diplomatic route with great care and maturity so as to remain a stabilizing force in the region. Other countries can hope that ASEAN's ties with North Korea will contribute in keeping the latter's leadership calm and help avert escalation of tensions.

Internal Dissent in ASEAN

ASEAN is known for its consensus approach to issues. That does not mean there is no internal dissent. While dissent is an essential feature of a democratic organization, such as ASEAN, it also suggests that the majority view may not be of advantage to all.

Within ASEAN views regarding China may vary from one country to another. Dissent, therefore, can cast a shadow over the principle of consensus as each ASEAN country tries to meet its own strategic priorities, which may differ from those of others in the organization.

This trend is to be expected in future as US & China jostle for power in this region. The strength of ASEAN as a cohesive organization will be repeatedly tested in the decades ahead. Success will depend on the leadership of ASEAN for ensuring that dissent does not weaken the cohesiveness of the organization.

Climate Change & ASEAN

Southeast Asia is highly vulnerable to climate change as a large proportion of the population and economic activity is concentrated along the coastlines.

Due to Climate Change heat waves, droughts, floods, and tropical cyclones have become more intense and frequent creating socio-economic problems.

An Asian Development Bank study projects a 4.8 degrees Celsius rise in mean annual temperature, and a 70 centimeters rise in mean sea level by 2100 in Indonesia, the Philippines, Thailand and Viet Nam. Rise in sea level would result in major problems for many of ASEAN's largest coastal cities, such as Jakarta, Bangkok and Manila. Millions of people may have to be resettled and massive expenditures incurred to protect the coastal cities. Projections of economic losses by the ADB study "include a decline up to 50 percent of rice yield potential by 2100 and a loss of 6.7 percent of combined gross domestic product each year by 2100".

ASEAN Member States have taken actions to address effects of climate change through various environmental, economic and social activities over the years. Several ASEAN Member States have announced voluntary

mitigation targets, including Indonesia, Malaysia, Philippines, and Singapore.

Other measures are also in hand in cooperation with India and China. ASEAN is moving ahead with a constructive approach to meet the challenges of Climate Change in the decades ahead, in accordance with the joint declaration signed during COP21 held in Paris in Nov/Dec 2015. However it will have to remain prepared for unavoidable impacts of Climate Change in the future.

Energy Security & ASEAN

Asia is a relatively energy poor region, particularly with respect to oil. "Projections to 2035 show that Asia will produce less than half its energy needs while representing nearly half the world GDP" (ADB 2011). This is obviously a very worrisome perspective. Many countries will only produce a fraction of their needs.

ASEAN is overall an energy surplus area. But the energy resources of its countries differ very much. However, by 2035, except for Brunei, all ASEAN countries are likely to be energy deficient. For ASEAN, energy issues will represent a huge challenge.

Internally, energy will be a major challenge to ASEAN integration itself as it can either push the countries towards strong regional unity, or lead to serious differences.

Energy demand from China and India and other countries will put competitive pressure on ASEAN unity. Some members of ASEAN might prefer trading with non-ASEAN countries rather than within ASEAN.

Many border areas of ASEAN, particularly offshore, have overlapping claims by both ASEAN and non-ASEAN countries. These sovereignty issues pose a threat to ASEAN unity and integration. Also, many internal ASEAN borders are not defined, including in areas where energy sources may be present.

In the decades ahead energy issues will pose serious problems for ASEAN. It will have to remain alert and resilient to possible fissiparous developments that could take place as individual countries prefer to direct their actions towards national priorities, rather than those of ASEAN.

ASEAN Regional Forum

ARF is a vitally important arm of ASEAN. It has lived up to its original mandate, has bolstered interstate co-operation and helped contribute to a more secure regional environment. A prime example of this can be seen in the area of humanitarian assistance and disaster relief (HADR).

Since the 21st ARF meeting (Aug 2014), the range of activities encompasses a much wider scope, including counter terrorism, cyber security, HADR, transnational crime and drug trafficking, non-proliferation and disarmament, maritime environmental protection and maritime security.

The range of ARF's activities indicates its growing role and capacity to make meaningful impact on global issues. While the ARF may not be able to directly solve some regional security issues, the forum has played a critical role in enhancing co-operation and trust. Undoubtedly it has contributed to a more secure regional environment.

In the future ASEAN will be faced with increasing challenges in HADR and is well positioned to play a leadership role. Towards that end it will need to enlarge its capabilities as the challenges in the next 50 years are likely to be of greater magnitude.

Piracy Problem Continues

According to the International Maritime Bureau (IMB) Piracy Reporting Centre, there is a sharp rise of incidents in Southeast Asia. Approximately 83 percent of all cases have been registered in this region, with the majority taking place in Indonesia (86 incidents), followed by Vietnam (19), Malaysia and Bangladesh (11 each).

Today, the South China Sea and the Strait of Malacca are among the world's most dangerous waters with far too many incidents of piracy. These are an increasingly worrisome security issue along the sea lanes of Southeast Asia.

Unless there is a coordinated effort to combat this scourge, sea borne trade will continue to suffer. ASEAN can play a major role in providing safe passage to ships through the region in the years ahead.

ASEAN and regional countries should jointly strengthen multi-dimensional cooperative efforts such as information sharing, coordination of sea patrols, conducting of cross-border and multi-agency operations and regional training, as well as the swift prosecution and extradition of pirates.

In the decades ahead the problem of piracy is likely to be exacerbated by human trafficking, drug menace, poverty, crime and lack of a coordinated joint effort to tackle it effectively. ASEAN needs to take measures to combat the growing scourge on high seas before it becomes unmanageable.

ASEAN may have to establish an “Anti Piracy Operations Centre”, increase intelligence sharing and carry out rigorous joint patrols so as to bring the situation under control. In future decades joint endeavours will strengthen ASEAN and stabilize SLOCs along which most of the world trade moves.

ASEAN 2025

ASEAN was proclaimed a Community through a Declaration signed by its leaders at their 27th Summit in Kuala Lumpur on 22 November 2015. The possibilities for ASEAN over the next 50 years are indicated by the statement articulated in “ASEAN 2025-Forging Ahead Together.”

It says, “The focus for the ASEAN Community over the next ten years would be guided by but not limited to the following broad goals that will further consolidate and strengthen the regional grouping:

- Greater emphasis on the peoples of ASEAN and their well-being;
- Enhance awareness of ASEAN and its Vision of a politically cohesive, economically integrated and socially responsible Community;
- Engage all nationals of ASEAN Member States through effective and innovative platforms to promote commitment and identification with ASEAN policies and regional interests;
- Ensure fundamental freedoms, human rights and better lives for all ASEAN peoples;
- **Strengthen capacity to deal with existing and emerging challenges while maintaining ASEAN centrality;**
- **An outward-looking and global player;**
- Implement the ASEAN agenda while pursuing national aspirations which contribute to ASEAN Community building; and

- Strengthen ASEAN Organs and the ASEAN Secretariat.”

ASEAN Def Ministers Meeting(ADMM)

Another crucially important function of ASEAN is undertaken by ADMM Plus (10 countries). In keeping with ADMM's objectives of promoting regional peace and stability through dialogue and cooperation in defence and security, ASEAN has worn the mantle of a peace keeper regionally. As the under currents of regional peace disturbances have global actors, the magnitude of ASEAN's responsibilities is enormous. They far exceed the regional dimension; instead they will involve ASEAN in the turbulence of global geo-politics.

Over the next 50 years ASEAN will face these challenges as it pursues its own objectives and also gets inexorably drawn into the said turbulence. The significance of ADMM's work will increase many fold in the future, towards that end ASEAN will have to constantly reassess and increase its capabilities to perform its role.

Conclusion

ASEAN will have to protect itself from exogenous threats, over which it will have very little control. It will also have to take care not to be weakened by endogenous threats. Both types of challenges will demand strong leadership, non partisan strategy and solidarity within the organization.

ASEAN has held together for half a century. In the forthcoming decades it will have to continue to keep re-inventing itself, adjusting and promoting its capabilities under strong leaders, as per the changing times.