THE EVOLUTION OF ASEAN

by

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Abstract
The Evolution of ASEAN
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This dissertation utilizes four theories of international institutions to examine the creation, maintenance and transformation of the Association of Southeast Asian Nations (ASEAN). The four theories are: neoliberal institutionalism, neorealism, constructivism, and the international society approach of the British School of international relations. Each of these theories has distinct explanations of what international institutions are, and how and why they operate in the international system. This dissertation examines the explanations that each of these theories offers for ASEAN's evolution. It concludes that none of the theories adequately explains ASEAN's development. However, the international society approach offers the strongest explanation of ASEAN's creation and maintenance during the Cold War. While this approach cannot explain ASEAN's post-Cold War transformation, it does offer strong indications as to the nature of the organization's continuing durability.

Neoliberal institutionalism portrays institutions as functional organs that further the efficient pursuit of state interests. Neorealism portrays institutions as tools that are only useful if they enhance the material security of states.
Constructivism argues that institutions are fundamentally important to states' identities. The durability of a regime is related to the role it plays in helping states to define themselves. This dissertation concludes that none of these theories captures the reality of ASEAN's evolution. ASEAN clearly is not and never was strictly a functional institution; likewise, it has only indirectly furthered the material security of its member states. It is not critical to the identities of its members, who remain largely narrowly self-interested actors.

The International Society approach best explains ASEAN's evolution because it portrays states as self-interested actors which exist within the bounds of a society. ASEAN's creation and maintenance are best explained as part of its member states' attempts to influence the normative structures of international interaction in the region. Similarly, ASEAN's post-Cold War transformation is best understood as reflecting a belief that the rules of interstate interaction can be shaped by more than material considerations of power. ASEAN is an example of a group of relatively weak states which believe that they can exercise significant political power through their appeal to common international norms and rules.
Acknowledgements

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CHAPTER ONE: INTRODUCTION

Introduction

This dissertation is a study of the Association of Southeast Asian Nations (ASEAN). ASEAN was created in 1967 by the non-communist states of Southeast Asia. Over the course of the past thirty years, its membership has grown and the scope of its activities have increased. The objective of this dissertation is to explain why ASEAN was created and then maintained by its member states, and why they are now in the process of transforming it into a larger and more extensive regime. I utilize four theories of international relations to try and explain ASEAN's evolution. Ultimately, I conclude that none of these theories can adequately account for the organization's development.

This chapter presents an overview of the research questions that drive this project, as well as an outline of the dissertation to follow. It ends with a brief account of the dissertation's final conclusions.

The Research Questions: The Creation, Maintenance and Transformation of ASEAN

This project began as an examination of the reasons for ASEAN's maintenance in the post-Cold War era. ASEAN was created during the Cold War. On the surface, it appeared to be an anti-communist organization which enjoyed its greatest success as a security-oriented body. The dominant theory of institutions in international relations theory--neoliberal institutionalism--implies that regimes or institutions that are created to fulfill specific purposes should decline once those purposes are served. In
the case of ASEAN, it appeared that this logic was not at work. Not only had the Cold War ended, but the one issue that had occupied ASEAN's attention and activities for twelve years -- i.e., Vietnam's invasion of Cambodia -- had also concluded.¹ Rather than letting ASEAN decline, however, its member states actively began seeking new issues with which to engage the institution. They were conscious of the possibility that ASEAN might lose its coherence if it did not have an issue on which to focus its energies.² These activities suggested that the ASEAN states regarded the organization as valuable in itself, not simply for the purposes that it served. Did this mean that ASEAN served other, important functions which, for some reason, could not be the explicit focus of the regime? Or should ASEAN be understood in a completely different manner than that suggested by neoliberal theory?

From this initial research problem, this project grew and changed. Further research into ASEAN's origins and development

¹ At the risk of oversimplifying the situation, Vietnam's invasion and occupation of Cambodia can be understood as Southeast Asia's most prominent manifestation of the Cold War throughout the 1980s. The decline of the Cold War led to the end of Vietnam's occupation of Cambodia. This episode is discussed in Chapter Four.

² In later years, institutionalists have argued that existing regimes should readily adapt to handling new problems, largely because it is easier to adapt an existing regime than create a new one. Even here, however, institutional change is incremental and related to the original issue area. Moreover, problems present themselves for solving, they are not sought out as justifications for regimes. See: Robert O. Keohane, "Institutional Theory and the Realist Challenge After the Cold War," in David A. Baldwin, ed., Neorealism and Neoliberalism (New York: Columbia University Press, 1993), 286; Andreas Hasenclever, Peter Mayer and Volker Rittberger, "Interests, Power, Knowledge: The Study of International Regimes," Mershon International Studies Review 40 (October 1996), 187.
indicated that the regime's entire history appeared to be an anomaly, from a neoliberal perspective. Neoliberalism suggests that regimes are created to address specific cooperation problems between states. ASEAN was created in response to certain regional problems, but the security-oriented nature of those problems and the manner in which ASEAN addressed them seemed well outside the expectations of neoliberal theory. Similarly, the reasons for ASEAN's maintenance during the Cold War were unclear. The institution did not appear to create any clear material benefits for its member states. Moreover, in the years since I started this project, the post-Cold War ASEAN became more than the focus of maintenance on the part of its members. Rather, they began to transform it. As a result, the objectives of this dissertation expanded accordingly.

In this dissertation, I attempt to answer three questions: why did its members create ASEAN? Why did they maintain it during the Cold War era? Finally, why are its member states transforming it—i.e., expanding its membership and scope of activities— in the post-Cold War period? I seek answers for these questions through the application of four different theories of international relations.

The first theory is neoliberal institutionalism. This is the primary theory of institutions in mainstream North American international relations theory. It describes institutions as being created and maintained by states to serve their interests. The second theory is realism. Realism is the dominant theory of
international relations. It regards institutions such as ASEAN as mostly unimportant to the conduct of international politics. Nonetheless, it does respond to neoliberalism by interpreting institutions from its own theoretical position and according them limited importance under specified conditions.

The third theory that I employ is constructivism. Constructivism regards institutions as absolutely fundamental to the operation of the international system. It argues that states exist within an international society that is bounded and defined by institutional structures. Constructivism focuses on the identities of states to determine their interests and behaviour. At present, constructivism is really a metatheoretical framework, not a well-specified theory. To get around this difficulty, I utilize the constructivist explanation for the formation of collective identities as the basis of my analysis of ASEAN. I follow this route largely because many observers of ASEAN argue that the institution is the foundation of a increasingly coherent community between its members states. Implicitly, and sometimes explicitly, observers of ASEAN are already making a constructivist argument about the operation of the regime.\(^3\) I take this opportunity to test these assertions.

The final theory that I use to try to answer the research questions is the international society approach, defined by the

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\(^3\) See, for example: Amitav Acharya, "Imagining a Security Community: Collective Identity and Conflict Resolution in Southeast Asia," forthcoming in Emanuel Adler and Michael Barnett, ed., Pluralistic Security Communities in Historical and Comparative Perspectives.
"British School" of international relations. This approach is part of a long tradition of realist interpretations of international society. It focuses on the role of fundamental institutions in shaping international society. It argues that states are most concerned about promoting order and stability in their relations. I extrapolate from these general principles to use the international society approach as an explanation of ASEAN's evolution.

In the end, none of these theories can offer a complete explanation of ASEAN's evolution. Neoliberalism and realism are particularly ineffective. However, they do offer some interesting insights into the limitations and nature of ASEAN. Constructivist theory sheds light on the social aspects of ASEAN, but is also extremely limited, both in its applications to ASEAN and its theoretical insights. The international society approach is the most useful of the theories, largely because it captures and gives relevance to the political nature of ASEAN. However, it still leaves some aspects of ASEAN's development unexamined.

Contributions of the Dissertation

This dissertation will significantly contribute to at least two distinct bodies of literature. The first is the analytical and historical literature on ASEAN. This project is a critical re-evaluation of ASEAN's political development. Much of the literature on ASEAN and many observers are extremely enthusiastic about the
organization's history and its present development. I do not deny that ASEAN has been a "success", especially after taking into account factors such as the low level of cooperation with which it began, or the relative weakness of its member states. However, I argue that ASEAN's successes have been somewhat overblown. The international context in which ASEAN has developed and presently exists is critically important for understanding both its successes and the real limitations that it faces, both within itself and from external constraining forces.

One argument that I strongly rebut is the notion that ASEAN constitutes a community or collective identity. I believe that there is clear evidence that ASEAN is moving towards this goal. However, it is still very far from attaining it. ASEAN is not motivated by community feelings but by calculations of self-interest on the part of its members.

The second body of literature to which this project contributes is the international relations literature on institutions. Most studies of ASEAN have been largely atheoretical, especially in recent years. Recent attempts to utilize neorealism

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5 Tim Huxley provides a useful overview of the study of Southeast Asia through international relations theories. He notes that, by default, most analyses of the region have been from a realist perspective. See: Tim Huxley, "Southeast Asia in the study of international relations: the rise and decline of a region," The Pacific Review 9, No.2 (1996), 199-228. Donald Emmerson notes the general lack of theoretical analyses of ASEAN. See: Donald Emmerson, "ASEAN as an International Regime," Journal of International Affairs 41, No.1 (Summer/Fall 1987), 1-3.
and neoliberalism to examine ASEAN have also, in my view, misunderstood the theories. This dissertation, therefore, is an attempt to rigorously utilize the major IR theories of international institutions in the study of ASEAN.

One significant contribution is the conclusion that neoliberalism and realism fail to account for ASEAN's evolution at any stage of its development. The dominant theories of international relations have nothing to directly contribute to the understanding of an important international body.

Overview of the Dissertation

This dissertation consists of seven chapters, excluding the introduction and conclusion. Chapter Two provides a detailed explanation of the four theories that I employ for this project. It identifies the key theoretical concepts of the different approaches and explains how I will use them to address the research questions. It also outlines the original research that I conducted in Southeast Asia in 1994-1995.

The next five chapters are descriptive analyses of the history, development, and contemporary circumstances of ASEAN. These chapters are organized on the basis of the research questions. Chapter Three provides the information necessary to evaluate the reasons for ASEAN's creation. Chapters Three and Four, together, discuss the conditions of ASEAN's maintenance and

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evolution during the Cold War. Chapters Five, Six and Seven address the contemporary situation in Southeast Asia and set the context for the discussion of ASEAN's transformation.

Chapter Three looks at the circumstances leading up to the creation of ASEAN. It then discusses ASEAN's political development and security initiatives to the end of 1976. Chapter Three also analyzes ASEAN's economic initiatives and related security agreements throughout the entire Cold War period. Chapter Four examines, in considerable detail, ASEAN's management of its conflict with Vietnam from 1977-1991. ASEAN's confrontation with Vietnam over the latter's invasion and occupation of Cambodia is regarded by many observers and ASEAN politicians as the definitive event of ASEAN's development. Chapter Four describes and critically evaluates the effect of this situation on ASEAN's evolution.

Chapter Five begins the examination of the post-Cold War era. It describes and analyzes intra-ASEAN conflict, specifically the questions of whether or not there is an intra-ASEAN arms race, and if ASEAN constitutes a "security community". Chapter Six is the longest of the dissertation. It describes the circumstances and uncertainties surrounding the roles of the United States, Japan and, especially, China in the post-Cold War Asia Pacific. These are the major external actors whose actions and interests shape -- or are likely to shape -- the political and economic environment of the region for the foreseeable future. Chapters Five and Six are more inclined towards description than analysis. They are meant to set the context of uncertainty within which ASEAN presently exists;
there are few conclusions to be drawn largely because the situation is still developing. Chapter Seven examines how ASEAN is responding to the changing post-Cold War environment. It describes ASEAN's transformation in detail.

Chapter Eight draws on all the previous chapters to answer the research questions: why was ASEAN created and maintained; why is it now in the process of transformation? It answers each of these questions in turn by explaining how each of the theories responds to the question, and evaluates the questions on the basis of the historical and descriptive information that has gone before. Chapter Nine concludes the dissertation by reiterating the major findings and providing some thoughts on the theoretical and political implications of the analysis.

Conclusion

I argue that ASEAN is a political and diplomatic regime. Throughout its history, it has offered few material benefits to its member states. Its purpose -- almost by default -- has been to express a coherent and ideal regional vision and to assert the commitment of its members to that vision. ASEAN was created to address specific regional tensions and uncertainties. However, in practice, conflicts and disagreements within the organization meant that it took form as a symbolic representation of the ASEAN states commitments to the institution of state sovereignty and its associated principles.

ASEAN was maintained during the Cold War period largely to continue in this political role. Under ASEAN's auspices, its
members created declarations and treaties designed to reinforce their interpretation of the norms and rules of international society. During the period of Vietnam's invasion of Cambodia, ASEAN acted to defend its principles of regional conduct. It discovered that it was able to exercise a limited degree of political influence through its institutional structures. In the post-Cold War era, ASEAN's members are using it to fill in the institutional gap that has developed within the Asia Pacific. They are transforming ASEAN with the objective of increasing its political power and influence.

ASEAN has evolved from serving a primarily symbolic function to being an instrument of political power in Southeast Asia. Its political power, however, is not based upon military or economic strength, but rather a sense of regional entitlement and a commitment to the basic institutions of international society. The extent to which this commitment translates into actual political power is unclear. Nonetheless, the ASEAN states believe that their own status and influence is enhanced by being part of the regime. The ASEAN states are convinced that the rules and norms of the international society possess an influence in themselves that can be utilized to ASEAN's advantage.

The international society approach is the one theory which explains the ASEAN states' commitment to an almost purely political regime. From this perspective, the rules and norms of international society do matter and are maintained by self-interested states seeking to promote international order. While the ability to define
international rules is usually limited to powerful states, smaller states can be effective if they can take advantage of the existing rules. To a large degree, this describes ASEAN's efforts to define a regional code of conduct. This approach, however, can only be suggestive when addressing the processes of ASEAN's transformation.

ASEAN has aspired to be a functional regime. However, its member states have never recognized enough common economic or security interests to create the binding structures necessary for such institutions. The ASEAN states also do not constitute a collective identity.

Finally, it must be noted that ASEAN is only part of its members' response to the international environment. The ASEAN states are, first and foremost, self-interested actors. Their commitment to ASEAN and its principles, while real, also varies from state to state and is dependent on the interests at stake.
CHAPTER TWO: REVIEW OF THE THEORETICAL LITERATURE

Introduction

This project seeks to explain why ASEAN was created, maintained, and is now in the process of being transformed by its member states. I will address these questions using four different theories of international institutions. Two of these theories are derived from a "rationalist" tradition of international relations; the remaining two approaches define international politics as a society of states.¹ According to the latter two approaches, observers can best understand international politics as a vibrant, changing international society of states which is governed and constrained by interlocking norms, institutions and intersubjective identities. The rationalist approaches explain international politics as a relatively static, anarchic realm of self-interested, insecure states whose actions are shaped by structural forces and among whom international cooperation is difficult to achieve. Thus, the important questions of this dissertation are addressed from two radically different perspectives on the nature of the international system.

I will begin to address these questions through an examination of international institutions. Exactly what "institutions" or "regimes" are and how they affect the behaviour of states is a

¹ "Rationalist" approaches assume that states are instrumentally-rational, unitary actors. State interests are assumed, imported from outside the theories ("exogenously given") and pursued by states on the basis of utility-maximization calculations. These concepts are developed below.
hotly contested question within international relations theory.\(^2\) International Relations (IR) theorists who subscribe to the rationalist theories of international politics regard regimes as the instruments of states. Regimes are designed by and for powerful states to implement their visions of international order.

Constructivist IR theorists define the international order as an international society of states and portray institutions as a fundamental part of that society. To them, institutions or regimes exist at the functional level emphasized by the rationalist theorists. However, institutions also exist at much deeper levels in the international system and interact in complex relationships with states. International relations cannot be understood without accounting for the influence of these deeper structures. Constructivists describe an international society that is constantly in motion, governed and constrained by normative considerations, and open to the possibilities of change.\(^3\)

The British School of International Relations also focuses on institutions as a fundamental part of an international society. This *international society approach*, however, concentrates its

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\(^2\) For the purposes of this discussion, I use the terms "regime" and "institution" interchangeably. I will address the finer distinctions between these terms below.

\(^3\) Hasenclever et al. identify three basic approaches to the study of international regimes. These are: interest-based, power-based, and knowledge-based theories of regimes. Interest-based theories correspond to neoliberal institutionalism and its various offshoots; power-based theories are derived from neorealism; knowledge-based theories include constructivism. See: Andreas Hasenclever, Peter Mayer and Volker Rittberger, "Interests, Power and Knowledge: the Study of International Regimes," *Mershon International Studies Review*, 40 (October 1996), 177-228.
attention on the most basic international institutions. It sees states as self-interested actors who recognize mutual obligations and agree to be bound in a society out of that sense of self-interest. It also assigns a crucial role to powerful actors in determining the shape and nature of the institutions underpinning international order.

Is ASEAN best described and understood as a functional regime, an instrument of its member states? If so, then the reasons for its creation, maintenance and transformation must be related to the functions that it serves. On the other hand, ASEAN may embody norms that are fundamentally important to its member states and may have become an important part of their national and regional identities. If so, its evolution is explained, to some significant extent, by normative, emotional, symbolic, and perhaps even subconscious considerations. A third possibility is that ASEAN is a manifestation of an international society wherein states act on the basis of a much wider definition of "self-interest" than that accommodated by rationalist theories. Finally, it may be that ASEAN cannot be adequately explained by the dominant theoretical approaches.

I have designed this chapter to present the major theoretical approaches, then directly relate them to the research questions. The chapter is divided into six broad sections. First, it briefly discusses the relationship of regimes to institutions. Next, it describes and contrasts the rationalist approaches to the international system - neorealism and neoliberal institutionalism -
and focuses on how each understands the workings and nature of institutions/regimes.

The third section describes the constructivist approach to international relations, its interpretation of international institutions, and how its insights may be employed to come to terms with ASEAN. The fourth section discusses the British "international society" approach to international politics. The next section begins to use these theories to answer the major questions of the dissertation by specifying how I expect each of the theoretical approaches to answer the research questions. Finally, the chapter concludes with a discussion of the original research I conducted in Southeast Asia in late 1994 and early 1995. By the end of the chapter, the reader should possess a clear understanding of the theoretical and empirical tools I am bringing to bear on the research questions.

International Institutions and Regimes: Defining the Concepts

In order to determine which theories best describe ASEAN, I must first answer the questions "what are regimes?" and "how are they to be distinguished from, or related to, institutions?" There is considerable theoretical confusion involving the terms "regime" and "institution". I will begin to address this confusion by first dealing with the rationalists' understanding of the concept of "regime".  

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This overview of international institutions and their associated theories is primarily based upon the following sources: Andreas Hasenclever, Peter Mayer and Volker Rittberger, "Interests, Power and Knowledge: the Study of International Regimes," Mershon International Studies Review, 40 (October 1996), 177-228; Marc A. Levy, Oran R. Young, Michael Zurn, "The Study of International
In the established regime literature, Stephen Krasner's definition of "regimes" is most commonly used by IR scholars. Krasner defines "regimes" as:

"...principles, norms, rules and decision-making procedures around which actor expectations converge in a given issue-area."

Krasner elaborates on these component parts:

Principles are beliefs of fact, causation and rectitude. Norms are standards of behavior defined in terms of rights and obligations. Rules are specific prescriptions or proscriptions for action. Decision-making procedures are prevailing practices for making and implementing collective choice.

Critics of this "consensus" definition have argued that it is vague and consists of indistinguishable components. The first criticism alludes to the fact that it is difficult to know what a regime is in practice. Levy et. al argue that a regime should consist of both a minimum degree of formalization (i.e., at least agreed-upon rules) and convergence in expectations. The second criticism asserts that the norms, principles and rules of regimes are difficult to distinguish. There is also a significant problem

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6 Ibid., 2.

7 Levy, et. al, 270-274.
of how to understand the operation of norms within regimes.\textsuperscript{8}

Efforts to come up with a practical, usable definition of "regimes" has resulted in an "American-German" definition, expressed as a "sliding scale":\textsuperscript{9}

(The regime analysts) agree to begin with a universe of cases including all arrangements that meet the explicit rules test. This would be followed by an effort to identify that subset of the initial universe meeting the explicit rules test and also achieving prescriptive status in the sense that actors refer regularly to the rules both in characterizing their own behavior and in commenting on the behavior of others. Beyond this, analysts should seek to pinpoint a smaller subset of arrangements that meet the first two tests and that give rise to a measure of rule-consistent behavior as well... According to the new consensus, no arrangement should be called an international regime unless it passes the first two tests, i.e., the mere existence of explicit rules pertaining to an issue area in international relations

\textsuperscript{8} Kratochwil and Ruggie argue that norms do not cause behaviour, as assumed by rationalist approaches to regimes. Busumtwi-Sam and Bernstein clarify this argument by pointing out that what is really at issue is the kind of causality at work. Rationalists wish to say that norms cause state behaviour by imposing external constraints. In this formulation, states enter an interaction with predetermined interests; they follow a norm if it has proven necessary to achieving those interests. This is a strictly regulative function of norms, and describes a mechanical causal relationship wherein norms are no more than "intervening" variables. However, norms are also constitutive; they help to define state interests and give meaning to state actions. Thus, norms do cause behaviour, "but internally or cognitively by defining and re-defining the identities and interests of actors." James Busumtwi-Sam and Steven Bernstein, Legitimation Contests and International Governance: A Social Structural Model, Unpublished Paper, (1996), 6. Kratochwil and Ruggie basically argue that the positivistic methodology of rationalist theories cannot accommodate the constitutive functions of norms. See: Friedrich Kratochwil and John Gerard Ruggie, "International organization: a state of the art on an art of the state," International Organization 40, No.4 (Autumn 1986), 764-769. The complex relationship of norms to institutions is addressed in greater detail below, when I consider the constructivist and international society approaches to institutions, and still later when I look specifically at these theories.

will not do.\textsuperscript{10} This definition is an attempt to provide some clarity and focus to a term that has become almost unctenably broad. However, restricting the understanding of regimes to rules and rule-following behaviour makes the concept an extremely narrow and superficial analytical construct. Nonetheless, many regime analysts now favour a conception of regimes as, essentially, the agreed-upon rules which are supposed to govern state behaviour in a given issue-area. This definition directs research towards questions of what explains variation in compliance with the rules.\textsuperscript{11}

Bearing in mind the popularity of this new, extremely narrow definition of regimes, I have decided to stay with Krasner's original definition for the purposes of this dissertation.\textsuperscript{12} Despite its conceptual difficulties, the original definition holds onto strengths of the regime concept lost in the new definition. As Hurrell points out:

\textsuperscript{10} Ibid.

\textsuperscript{11} Hasenclever et al. discuss this point. See Hasenclever et al., 182-183. They go on to note, however, that Keohane's qualifications to this more formal conceptualization of regimes ends up putting him very close to Kratochwil and Ruggie's cognitive understanding of regimes. Keohane argues that actual compliance with the rules of a regime may not be necessary to demonstrate that a regime exists, so long as states continue to refer to the rules in an "affirmative manner." Keohane in Rittberger, 28. This argument is very close to Kratochwil and Ruggie's contention that compliance with a regime is no measure of its strength. The context in which states comply or fail to comply with regimes is more important to understanding their significance. See: Kratochwil and Ruggie, 764-768.

\textsuperscript{12} Levy et. al offer their own definition of "regimes" which remains very close to Krasner's original formulation. They define regimes as: "social institutions consisting of agreed upon principles, norms, rules, procedures and programs that govern the interactions of actors in specific issue areas." Levy et. al, 274.
...one of the claims to originality and innovation of regime theory was precisely that it included patterns of co-operation that were embodied neither in formal international organizations nor in specific sets of legal rules.

Understanding ASEAN requires the ability to consider patterns of cooperation that are not necessarily defined by formal rules or structures. I shall consider regimes to be rule and norm-governed patterns of behaviour between states in specific issue-areas.

The question of how to relate "regimes" to "institutions" is addressed by Robert Keohane. Keohane describes "institutions" as an inclusive concept which has three expressions: international organizations, regimes, and conventions. These are "embedded" within the international system at increasingly fundamental levels, and are capable of considerable overlap. International organizations are the least "deep" of the three kinds of institutions. They are "bureaucratic organizations, with explicit rules and specific assignments of rules to individuals and groups."

International organizations implement the practices that constitute regimes. However, they may also have a more complex relationship with regimes. Regimes are the structure of rules and pattern of practices that develop around particular international conventions. Regimes may give rise to international organizations, but this is not a requirement of their expression. Regimes are,

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fundamentally, patterns of behavior based on agreed-upon rules. States can comply with a regime without being part of an organization. However, regimes cannot adapt or transform themselves; they are entirely the expression of the interests of states. International organizations develop in response to organizational and state interests. Thus, they can evolve if those interests change. International organizations may also have a transformative effect on the regimes in which they are embedded. This is possible because international organizations allow dynamic state actors access to the norms, rules and procedures that characterize regimes. Thus, regime change is possible through the operations of an international organization; the reverse, however, is not true.\textsuperscript{15}

Conventions are the most deeply embedded kind of institution in the international system. They are "informal institutions, with implicit rules and understandings, that shape the expectations of actors".\textsuperscript{16} Keohane cites traditional diplomatic immunity and the practice of reciprocity between states as examples of longstanding international conventions. Conventions are logically and temporally prior to regimes and international organizations.\textsuperscript{17} They are also, implicitly, static and rigid structures. Contemporary regime analysis usually focuses on what Keohane has described as regimes and their affiliated international organizations. Most regime

\textsuperscript{15} Ibid., 4-5.

\textsuperscript{16} Ibid., 4.

\textsuperscript{17} Ibid.
analysts intentionally bracket conventions and do not consider them to be part of their research program.\textsuperscript{18} By contrast, conventions are a fundamental part of the constructivist and international society perspectives.

Constructivist theory differs from the rationalist approach to institutions in a number of important respects. Constructivists see international institutions as the manifestations of the intersubjective and socially constructed structures of the international system. For constructivists, state identities and interests are constantly in process, and thus open to the possibility of transformation as well as reproduction. Constructivists also recognize that institutions exist at different levels in the international system, but the division of institutional levels is different than that developed by Keohane. The regimes and international organizations studied by neoliberals and neorealists generally function at the most superficial institutional level defined by constructivists.\textsuperscript{19} Nonetheless, in constructivism, all institutions, at all levels, help to reproduce and define state identities and interests.

The British School of International Relations is not concerned with the regimes that are the primary focus of North American IR theorists. The British School, or "international society" approach, considers only the most fundamental international institutions. These institutions are: the balance of power, international law, 

\textsuperscript{18} Levy et. al, 270, 274.

\textsuperscript{19} Busumtwi-Sam and Bernstein, 13-25.
diplomacy, great power management of the international system, and war. Thus, as Hedley Bull explains:

By an institution we do not necessarily imply an organisation or administrative machinery, but rather a set of habits and practices shaped towards the realisation of common goals.  

These institutions are, necessarily, prior to the regimes investigated by the rationalists; they actually make meaningful action by state actors possible.

As I explain the development of ASEAN, it will become clearer that ASEAN readily fits Krasner's definition of "regime." My major concern is determining whether or not the rationalist theoretical approaches that utilize this definition adequately explain ASEAN's evolution. By contrast, ASEAN may possess institutional and operational characteristics that are only explained by constructivism or the international society approach.

Realism and Neoliberal Institutionalism: the "Rationalist" Approaches to International Relations

Classical Realism and Neorealism

"Realism" is the dominant tradition within international relations theory. Many variants of realism have developed over the years. For the purposes of this project, it is necessary to be aware of the two major kinds of realism: classical realism and

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21 Alexander Wendt and Raymond Duvall, "Institutions and International Order," in James N. Rosenau and Ernst-Otto Czempiel, ed., Approaches to World Politics for the 1990s (Lexington: Lexington Books, 1989), 53. This article is an excellent and detailed examination of the considerable differences between the kind of institutions investigated by "neorealism and the new institutionalism" vs. the "old institutionalism" of the British School.
"Classical realism" is the original form of realism. The classical realism of ancient times is represented by Thucydides, (as interpreted by Hobbes) and his historical account of *The Peloponnesian War*. In the modern era, E.H. Carr's *The Twenty Years' Crisis* and Hans Morgenthau's *Politics Among Nations* are the best known statements of classical realist thought. These realists see international politics as a struggle for power between relevant political units (city-states or states), a struggle ultimately understandable as an expression of basic human nature. States seek power because the pursuit of power is an inescapable part of human nature. International politics is an amoral realm in which states necessarily follow their own narrowly-defined self-interests. Questions of military power and national security constitute the "high politics" of the international realm; international economic and social relationships are in the area of "low politics", and are always pre-empted by the considerations of "high politics".

Morgenthau did not believe that IR theorists could construct a rigorous theory of international relations based on realist premises. Such a theory, he felt, would inevitably omit far too

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much relevant information about international politics to be reliable or valuable.\textsuperscript{24} Kenneth Waltz disagreed with these assertions and constructed the theory of "neorealism" or "structural realism".\textsuperscript{25}

The neorealist understanding of state behaviour is underpinned by five core assumptions.\textsuperscript{26} The first and most fundamental is the assumption of \textit{anarchy}, which is a lack of overarching authority within the international system. The second assumption is that states possess military power and, therefore, can endanger each other. To neorealists, power is reducible to military capabilities.\textsuperscript{27} Third, states can never be certain of the intentions of other states. An ally one day may be an enemy the next. Fourth, states are motivated by a concern with survival.

\textsuperscript{24} Morgenthau's "Six Principles of Political Realism" are found in Morgenthau, 4-14. These basically express the ideas outlined in the preceding paragraph. Morgenthau's Classical Realism straddles a line between the historical interpretivist tradition and a more positivistic inclination by attempting to identify social laws of political interaction. The content of those laws may be debatable, but their application also requires an historical understanding and interpretation of a given situation. It is interesting to note that Morgenthau's third law explicitly allows that, while states always pursue their interests defined as power, their interests and the nature of power may change depending on the social, cultural and political context in which states operate.

\textsuperscript{25} Waltz, 26.

\textsuperscript{26} These assumptions are identified and explained in: John Mearsheimer, "The False Promise of International Institutions," \textit{International Security} 19, No.3 (Winter 1994-1995), 10.

\textsuperscript{27} David Baldwin points out that the question of military force being the primary source of power has not been a focus of the recent debate between neorealism and neoliberalism. Even so, the focus on the absolute-relative gains debate seems to be reducible to a concern about the possible use of military force by one state against another. The fungibility of the military is an issue that will likely re-emerge at some later point. See: David Baldwin, "Neoliberalism, Neorealism and World Politics" in \textit{Neorealism and Neoliberalism: the Contemporary Debate} (New York: Columbia University Press, 1994), 23.
Finally, states are instrumentally rational actors. Taken together, these assumptions imply that it is very difficult for states to cooperate within the international system.  

Waltz sees neorealism as a structural variation on traditional realism. He rejects the argument that international politics is too complex to be reduced to systematic theory by arguing that theory is, in fact, necessary to make sense of the problem of complexity. Neorealism claims to produce useful hypotheses about the behaviour of states within the framework of a parsimonious theory. Whatever its drawbacks, neorealism has become the benchmark against which other IR approaches are measured, and the orthodoxy which other theories try to challenge.

Neorealism specifies three elements as defining international political structures. These are:

1) functionally-undifferentiated units. In the case of the international system, these units are states;

2) the ordering principle of the system, which is anarchy;

3) the distribution of capabilities, i.e., the power resources of the different states.

This last is the only variable that actually varies; the other two remain constant. Using these elements, neorealists believe that it is possible to predict the likelihood of war within a given

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28 Mearsheimer, 10. A more concise and critical assessment of realism's "core set of claims" is provided in Welch, 11.

29 Waltz, 27.

international system.

The structure of the international system is shaped by the material capabilities of its dominant members. Thus, for example, the structure is bipolar if there are just two dominant powers. State behaviour reflects the position of states within the international system. Their interests and strategies are based on calculations about their positions in the system. The greater a state's capabilities, the higher it is in the international hierarchy of power, and the greater its influence on the international stage. States usually try to advance their position in the international system, or at least prevent themselves from falling in the hierarchy of states. The structure of the international system is defined by this distribution of capabilities.

There are always states in the system which are more powerful than others; depending on their level of power, these actors may constitute distinct poles within the system. For example, the Cold War era was defined by a bipolar international structure. The United States and Soviet Union were so much more powerful than

31 Keohane, "Theory," 41.

32 In this assertion, neorealism differs from classical realism. Classical realism argues that states are inherently power-seeking and are always attempting to increase their status in relation to others. For neorealists, a state is just as happy maintaining its position as advancing. It will not take unnecessary risks that might threaten its position in the system unless it feels compelled to do so. This is a statement of Grieco's contention that states are "defensive positionalists." See: Joseph Grieco, Cooperation Among Nations (Ithaca: Cornell University Press, 1990), 37-40, 44. Note that Mearsheimer disagrees with this formulation of realism. He argues that states always attempt to maximize their power in an effort to increase their security. Mearsheimer, 11-12; Hasenclever et. al, 202.
their nearest competitors that they established the nature of the system, and most of the important interactions in the system were somehow related to the interests of these two giants.33

The whole understanding of state behavior from a neorealist perspective is underpinned by the assumption of anarchy. "Anarchy" refers to the lack of overarching authority within the international system. This means that there is no power beyond states themselves that can enforce international agreements or protect their legitimate interests. Anarchy means that states must always be preoccupied with issues of security and their survival; they can rely only on themselves.34 If states do not act in accordance with the demands of anarchy, they will be selected out by the system, i.e., destroyed.35

33 The range and complexity of possible international relationships increases with the number of poles in the system. Thus, a tripolar or multipolar structure is, potentially, more unstable than a bipolar one, but also allows a greater range of action and choice for smaller powers.


35 Grieco, 3; Mearsheimer, 12. Neorealists assert that states' preoccupation with security follows directly and logically from the ordering principle of anarchy. Neoliberals generally accept this assertion, as I describe below, though they disagree with neorealists on what anarchy implies. However, anarchy, in itself, may imply nothing. Helen Milner argues that most of the assertions made by neorealists that are explained by anarchy are, in fact, hypotheses in need of testing. Milner demonstrates that the "anarchic" international system is not easily distinguished from domestic political systems; both systems are ordered by institutions and use force as the final arbiter of disputes. If there is a crucial element of government in domestic society that is lacking in international society, it needs to be identified, not assumed. See: Helen Milner, "The assumption of anarchy in international relations theory: a critique," Review of International Studies 17 (January 1991), 67-85. The argument that anarchy implies nothing is even more strongly stated in: Alexander Wendt, "Anarchy is what states make of it: the social construction of power politics," International Organization 46, No.2 (Spring 1992), 391-425. This argument about anarchy is
As the above synopses indicate, neorealism and classical realism share many of the same assumptions. However, neorealism does depart from classical realism in a number of ways. For classical realists, the basic, power-seeking behaviour of states in the international system is explained by the reality that humans are power-seeking creatures who pursue power as an end in itself. Though this is a debatable proposition, it is a pre-theoretical assumption that explains the fundamental character of the international system. For neorealism, the pursuit of security is the ultimate goal of states in the international system. Under anarchy, states seek power not because of an innate human desire for power, but because power is the only means to ensure security. Neorealists therefore claim that the logic of the international system requires power-seeking, self-interested behaviour on the part of states; human nature does not need to enter into the equation.\textsuperscript{36} The most important difference between the two approaches is in the emphasis neorealists place upon structure.\textsuperscript{37}

\textsuperscript{36}Waltz, "Realism", 34-36. Neorealism's claim that it avoids assumptions about human nature is a highly tendentious assertion. In fact, neorealism has to rely on the same assumptions about human nature that underpin classical realism. If human nature was inherently pacifistic, for example, then states' preoccupation with security and self-help would make little sense. At the very least, some belief about human beings as potentially violent and aggressive beings must lie at the heart of neorealist assumptions. Welch makes this same point. See: Welch, 13-14.

\textsuperscript{37}Ibid., 29-32.
Classical realism explains events in the international system as the result of interactions between states. Explanations for state behaviour are located at the unit-level. States interact on the basis of internal forces that affect their conduct of foreign policy. Waltz criticizes classical realism's focus on state interaction as being unable to explain why changes within states do not create changes in the conduct of international politics. The reason for this deficiency, according to Waltz, is the failure of classical realism to account for the causal influence of international structure. By not recognizing the concept of international structure, classical realism cannot account for its significant effects. According to Waltz, neorealists recognize that the explanation for state behaviour is found both at the unit and system level; neorealists may focus upon how structures affect behaviour and outcomes, but they do not claim that structures determine those behaviours and outcomes. These qualifications

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38 Waltz, 34. In fact, neorealism is open to these same criticisms. Changes within states do produce significant effects that cannot be explained by neorealism. A common criticism of neorealism in the wake of the end of the Cold War is that the theory could not explain a fundamental change in the nature of the international system because the changes were entirely the result of internal transformations within the Soviet Union. This change could have been explained by Classical Realism, which does recognize the importance of individual and ideological factors in shaping state policy. The end of the Cold War stands in counterpoint to Waltz's claim that internal changes do not produce corresponding changes in the international system. For a discussion of these points see Richard Ned Lebow, "The long peace, the end of the cold war, and the failure of realism," in *International Organisation* 48, No.2 (Spring 1994), 249-277.

39 Waltz, 37. Note that this is a somewhat weaker claim than neorealists usually make. The predictive power of neorealism - such as it is - lies in its supposed ability to predict state behaviour on the basis of where a state stands in the hierarchy of the international system. In fact, however, the position of a state in the international hierarchy has proven to be a highly unreliable guide to predicting outcomes. Keohane, "Theory," 49-52.
aside, however, Waltz's version of neorealism clearly emphasizes structural factors as the most important considerations when evaluating state conduct.

I will now examine neoliberal institutionalism, before returning to a discussion of neorealism and its analysis of international institutions.

**Neoliberal Institutionalism**

Neoliberal institutionalists claim that cooperation under anarchy is possible within the international system mostly due to the ability of international institutions/regimes to mitigate the effects of anarchy. Robert Keohane is largely responsible for the development of *neoliberal institutionalism* and many of its subsequent innovations. Keohane claims that cooperation within the international system is possible even using the spare, self-interested rational actor assumptions of neorealism. He describes states in neorealism as being "rational egoists" - they are narrowly self-interested and concerned only with maximizing their own utility. When "calculating" their own utility, they have little interest in the utility functions of other states. Thus, if a

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40 Neoliberal institutionalism is the primary "interest-based theory" of international regimes. Other interest-based approaches derived from it include situation-structural theories, the problem-structural approach, and Oran Young's institutional bargaining. This study will only address neoliberalism. See Hasenclever et al., pp.183-196. Also, note that while neoliberals argue that regimes greatly mitigate the effects of anarchy and make cooperation easier, they do not argue that cooperation is impossible without regimes. However, cooperation would be far less likely and common if regimes did not exist. See: Robert O. Keohane, *After Hegemony* (Princeton: Princeton University Press, 1984), 78-79.

41 The theory of neoliberal institutionalism was introduced in Keohane, *After Hegemony*. 
cooperative endeavour is mutually beneficial, states may engage in that behaviour. There is no sense, however, that states are part of an international society.

Keohane accepts the neorealist characterization of an anarchic international system. Again, "anarchy" indicates a lack of overarching authority which means a lack of enforcement mechanisms to ensure state compliance with international agreements. Neoliberalism identifies fears of cheating and defection as the major impediments to cooperation between states. These fears prevent cooperation even when it is rational for states to work together to their mutual benefit. Institutions or regimes address these fears in three distinct ways:

1) they create a sense of legal liability (i.e., create a sense of obligation between states to adhere to rules, agreements).

2) they reduce transaction costs between states (reduce the cost of interactions both within and between issue areas, reduce the likelihood of rules being broken).

3) they provide transparency (provide information about issue areas and state actions. This is the most important

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Ibid., 27,66. Note that, according to Grieco and other realists, Keohane actually misrepresents what neorealism is saying. States are not "rational egoists" but "defensive positionalists" - they are, in fact, very concerned about the benefits that accrue to other states in a mutually-beneficial cooperative arrangement. This debate over whether states are primarily relative or absolute-gains seekers occupied IR theorists for a period of time. Ultimately, the debate petered out as both sides accepted that states are both relative and absolute-gains seeking entities - what matters is specifying the conditions under which they pursue one or the other. Though this debate absorbed an inordinate amount of energy, its resolution is significant in that it demonstrates that the theoretical differences between neorealism and neoliberalism are more exaggerated than real. Grieco, 9-10; Baldwin, 3-25.

Keohane, After Hegemony, 88.

Ibid., 89.
function of regimes).  

The overall effect of regimes is to reduce uncertainty within the system, thereby allowing states to cooperate more fully. Thus, regimes mitigate the effects of anarchy.

Keohane's theory is a functional, or contractarian, theory of regimes. States participate in regimes because of the regime's utility in facilitating state goals. The costs of establishing a regime are high. Often, the initial conditions under which a regime was created alter with time and it becomes less attractive to some or all of its members. However, they maintain the regime, in part because of the high costs of its construction, but also because it is still more beneficial to participate in a sub-optimal regime than let it die, return to unmitigated self-help behavior, and try to construct a new regime. Keohane argues that many regimes are capable of adopting new tasks and incrementally adapting to changed circumstances. Nonetheless, if a regime ceases to serve the


46 In his original formulation of the theory, Keohane argued that the assertive influence of a hegemon made it easier for states to overcome the effects of anarchy and create regimes in the first place. Subsequent formulations of the theory have paid little attention to the role of a hegemon in creating cooperation.

purposes for which it was created, it should decline.\textsuperscript{48} On the other hand, successful regimes may "spillover" --i.e., expand their range of activities -- into other issue-areas related to their original functions.\textsuperscript{49}

Neoliberalism and neorealism disagree on the role of institutions as instruments of change. Neorealism explains change in the international system through a change in the relative capabilities of the different states. Keohane criticizes this neorealist concept of structure as being "too narrow and confining".\textsuperscript{50} Neorealism is "underspecified because it fails to theorize about variations in the institutional characteristics of world politics" he argues.\textsuperscript{51} Neoliberalism, by contrast, accepts the neorealist focus on structure, but also includes process variables -- that is, the influences involved in the interactions of states which are internal to the structure -- that affect state behaviour. These process variables mostly take the form of the institutional effects on how states perceive their environments and evaluate their pursuit of self-interests. Neoliberalism sees that "deeply embedded expectations are as fundamental to world politics

\begin{itemize}
\item \textsuperscript{50} Keohane,"Neoliberal", 8.
\item \textsuperscript{51} Ibid., 9
\end{itemize}
as are the power resources of the units".52

In keeping with the neorealist premises underlying neoliberalism, neoliberals believe that institutions do not affect the fundamental interests of states, but they do affect the incentives facing states and, therefore, the ordering of state preferences.53 Keohane emphasizes the importance of institutions:

...neoliberal institutionalism shares neorealism's emphasis on the significance of self-interested state action and the importance of structural analysis at the systemic level. However, it argues that state behavior can only be understood in the context of international institutions, which both constrain states and make their actions intelligible to others, and it denies that states consistently search for relative gains. Its most fundamental claims are that international relations would be unintelligible without some degree of institutionalization, because they would lack shared expectations and understandings, and that variation in the commonality, specificity, and autonomy of institutions will affect the constraints and incentives facing states and will therefore exert impacts on state behavior in world politics.54

Neorealism and Institutions

Neorealists attempt to explain the existence and cooperative potential of international regimes by focusing on the relative power capabilities of states and the distributional consequences of

52 Ibid.

53 Ibid., 5-6. "Preferences" are the same as interests, except they are ordered in a particular way. Thus, institutions generally do not affect how states understand their interests, but they may affect which interests take priority in a given situation. In his later work, Keohane does acknowledge that institutions do have a constitutive function and can influence how states define their interests. The constitutive quality of regimes, however, is not one that Keohane emphasizes in his work. Moreover, he makes it clear that institutions are still not as important as other factors (such as domestic political influences) in shaping how states define their interests.

cooperation. Modern neorealist discussions of regimes are largely responses to the assertions of neoliberalism. A strong neorealist response to the question of institutions is that institutions have no significant effect upon the conduct of international politics. However, some neorealists do accept that institutional structures can have significant, if limited, effects upon the behaviour of states. In this section, I will briefly review these neorealist interpretations of regimes. I will also outline a neorealist approach to regimes that reflects the neorealist focus on security as the dominant concern of states.

Neoliberals identify the problem of international cooperation as focused on a fear of cheating between states. Stephen Krasner disagrees with this assessment, arguing that states are far more concerned about the distribution of gains from cooperative behaviour. States are often inclined to cooperate to avoid some less desirable outcome or to benefit from coordinated behaviour. However, where they run into difficulties is in determining "who gets what" when there are a number of possible paths to beneficial cooperative outcomes, but the distribution of gains differs between the participating states depending on the path chosen. Under these

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55 Hegemonic stability theory is the oldest realist explanation of regimes, and predates neoliberalism. It explains regimes as manifestations of the power of a hegemonic state, which establishes an international order that reflects its own interests. For a full discussion of the power-based theories of international regimes, see: Hasenclever et al., 196-205.

56 Mearsheimer, 5-49 is the best example of this viewpoint. It is worth noting that some realists are now explicitly rejecting Mearsheimer's anti-institutional formulation of realism. See: Randall L. Schweller and David Priess, "A Tale of Two Realisms: Expanding the Institutions Debate," Mershon International Studies Review 41 (May 1997), 1-32.
conditions, power can be used to resolve the conflict. Krasner identifies three ways in which power can make a difference: it can determine which states are invited to participate in the "game"; it may be used to dictate the rules of the game; and it can be used to change the payoffs in a game, i.e., more powerful states can use their resources as leverage to threaten or manipulate other states into favouring an outcome desired by the powerful.57

In this interpretation, regimes have little independence but are important as intermediary bodies which help to negotiate international arrangements and promote stability in an issue area. In some instances, the rules of a regime can help weak states to exercise some degree of influence within an issue area. However, power is the most important factor in determining the outcome of a process mediated by regimes.

Joseph Grieco argues that neorealists do see institutions as being important, but under very particular circumstances. According to Grieco, neoliberalism actually understates the range of functions that institutions need to perform to enable states to work together.58 The essence of Grieco's portrayal of regimes/institutions is that they ensure that the benefits states derive from their cooperative endeavours are proportionately distributed. If one state gains relatively less than another through such an endeavour, it will be disadvantaged, and so will

58 Grieco, 233-234.
not engage in cooperative behaviour. Grieco believes that regimes can provide information, facilitate side-payments, and even promote a norm of reciprocity that allows states to accept temporary losses with the expectation they will be compensated later.59

Krasner and Grieco offer realist interpretations of the regimes described by neoliberals. However, more in keeping with general realist principles is an explanation of regimes/institutions that portrays them as a response to external, material threats. States respond to material threats to their security by creating institutional arrangements that increase their individual and collective security. These arrangements usually take the form of security alliances which are designed to balance against an enemy state or bloc.60 However, these institutions do not have to be military alliances; they can also be economic arrangements which have, as their underlying motive, the enhancement of the member states' material abilities to defend their independence and integrity from outside threats.61

The preceding discussion has elaborated the "rationalist"

59 For a more complete discussion of these points, see Grieco, 216-234; Hasenclever et al., 201-205.

60 Stephen M. Walt, The Origins of Alliances (Ithaca: Cornell University Press, 1987), 17-50. Walt argues that states actually balance against perceived threats, not simply against material power. By making such an argument, he introduces intersubjective factors as being fundamentally important for understanding the operation of neorealist principles.

61 This argument is consistent with the logic of realism. For example, Grieco argues that states will avoid mutually beneficial economic arrangements if the resulting distribution of gains is disproportionate to the existing power relationship. By the same logic, states may enter economic arrangements if doing so enhances their ability to respond to an outside military threat. See: Welch, 17.
approaches to international regimes/institutions. Despite superficial differences, structural realism and neoliberalism are essentially branches on the same realist tree. They portray regimes/institutions as the instruments of states. They take state interests as "exogenously given." International regimes do not affect how states define their interests, but are created to help states achieve their ends. The next section discusses the "international society" perspectives on international relations, which offer a much different understanding of the relationship between states and institutions.

Constructivist Theory and the British School of International Relations: The "International Society" Approaches

Constructivist Theory

As noted in the preceding discussion, neoliberal institutionalism is the dominant approach to the study of international regimes in North American IR theory. Thus, knowledge-based theories of regimes have depicted themselves as another response to neoliberalism. Knowledge-based theories argue that neoliberalism is limited by its neorealist assumptions. These theories identify three weaknesses of neoliberalism:

1) its conception of states as rational actors whose identities, powers and fundamental interests are prior to international society and its institutions;

2) its basically static approach to the study of international relations, which is ill-equipped to account for learning at the unit level and history at the system-level; and

3) its positivist methodology, which impedes
understanding of how international social norms work.\textsuperscript{62} Knowledge-based theories of regimes focus on how the preferences and interests of states are formed.\textsuperscript{63} The "strong cognitivist" approach focuses on the effect of international institutions and communicative actions on the identities of international actors. The "international regimes" studied by rationalist approaches are superficial manifestations of much deeper normative/institutional structures that form the foundation of international society. These institutions affect actors "preferences and basic self-identities".\textsuperscript{64} At the same time, the institutions themselves are constantly reproduced and, potentially, changed by the activities of actors. Institutions and actors are mutually conditioning entities.\textsuperscript{65}

\textsuperscript{62} Hasenclever et al., 205-206.

\textsuperscript{63} Hasenclever et al. divide knowledge-based theories of regimes into two general categories: "weak cognitivist" and "strong cognitivist". The weak cognitivists generally complement rationalist approaches to regimes by emphasizing the roles of ideas, learning and epistemic communities in defining state interests. By contrast, strong cognitivism emphasizes the importance of international society and is fundamentally at odds with rationalist regime theories. For a discussion of weak cognitivism, see Ibid., 206-210.


\textsuperscript{65} The relationship between agents and structures is at the heart of the agent-structure debate. Constructivist theory is based on a \textit{structurationist} approach to this debate, which emphasizes the equal status of agents and structures as mutually conditioning entities. For more on the agent-structure debate and the constructivist use of structuration theory, see: Alexander E. Wendt, "The agent-structure problem in international relations theory," \textit{International Organization} 41, No.3 (Summer 1987), 335-370. For a critical review of Wendt's use of structuration theory, see: Steven Bernstein, \textit{Secret Agents, Free Will and the Agent-Structure Problem in International Relations}, Unpublished paper, (March 1993). For more on the agent-structure debate, see: David Dessler, "What's at stake in the agent-structure debate," \textit{International
Strong cognitive theories argue that all regimes - from the deepest to the most superficial - have both regulative and constitutive functions. Regulative norms set basic rules for standards of conduct. It is this regulative aspect that is the primary focus of rationalist regime theories. Constitutive norms define a behaviour and assign meanings to that behaviour. Without constitutive norms, actions would be unintelligible. The common analogy that theorists use to explain constitutive norms is that of the rules of a game, such as chess. "(B)y defining acceptable behavior and by explicating the consequences of individual moves, (constitutive norms) enable the actors to play the game and provide the actors with the knowledge necessary to respond to each other's moves in a meaningful way."66

Cognitive theorists also emphasize the role of normative injunctions and communicative actions in both explaining state behaviour and the resiliency of regimes.67 The focus for this project, however, is on constructivist theory. Constructivism accepts all of the basic premises of the strong cognitivist approach, but is most focused on the role of identity in explaining state actions.68

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66 Hasenclever et al., 211.
67 Ibid., 210-214.
68 For the purposes of this dissertation, I will base my discussion of constructivism primarily upon the writings of Alexander Wendt. Wendt is the theorist most strongly associated with this school of thought in the contemporary
Alexander Wendt defines "constructivism" in the following terms:

Constructivism is a structural theory of the international system that makes the following core claims: (1) states are the principal units of analysis for international political theory; (2) the key structures in the states system are intersubjective, rather than material; and (3) state identities and interests are in important part constructed by these social structures, rather than given exogenously to the system by human nature or domestic politics.

In stark contrast to rationalist theories, constructivism argues that state interests are created and can only be understood within the social context in which they evolve.

States have a corporate identity, the "intrinsic, self-organizing qualities that constitute actor individuality". A state's corporate identity generates four basic state interests or "appetites": the desire for physical security, stability, recognition by others, and development or improvement of the lives of its citizens. These corporate interests are prior to social interaction and provide the motivating force for state action. However, how states fulfil the needs of their corporate identities depends upon their social identities, i.e., how states see themselves in relation to other states in international society. On the basis of these identities, states construct their interests.

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70 Ibid.

71 Ibid., 385.
Constructivists accept that anarchy is the characteristic condition of the international system, but argue that, by itself, it means nothing. What matters are the variety of social structures that are possible under anarchy. Constructivism emphasizes that international structure consists of social relationships as well as material capabilities.

72 Alexander Wendt, "Anarchy is what states make of it: the social construction of power politics," International Organization 46, No.2 (Spring 1992), 391-425. As Wendt points out, an anarchy of friends is quite different from an anarchy of enemies, but both are possible.

73 How and why particular social structures and relationships develop between different states is a matter for historical research and analysis. Past interactions between states set the context for the present, and may produce fairly rigid identities and interests, but such an outcome is not inherent to the logic of the structure. See: Alexander Wendt, "Constructing International Politics," International Security 20, No.1 (Summer 1995), 77.

Indeed, social relationships give meaning to material capabilities. According to Wendt:

> Intersubjective systemic structures consist of the shared understandings, expectations, and social knowledge embedded in international institutions and threat complexes, in terms of which states define (some of) their identities and interests.

Wendt defines an "institution" as:

> ...a relatively stable set or "structure" of identities and interests... Institutions are fundamentally cognitive entities that do not exist apart from actors' ideas about how the world works.

Institutions and states are mutually-constituting entities. Institutions embody the constitutive and regulative norms and rules of international interaction; as such, they shape, constrain and give meaning to state action and define what it is to be a state. At the same time, institutions continue to exist because states produce and reproduce them through practice. The social relationships that define state identity and, therefore, state

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75 This is in contrast to the realist position, which tries to determine state intentions from capabilities. In fact, this cannot be done. As Wendt notes, the United States considers a few North Korean nuclear warheads as far more threatening than the hundreds of nuclear weapons it knows are possessed by Britain. These material capabilities only assume significance on the basis of the social context in which they exist. See: Wendt, "Collective," 389; Wendt, "Constructing," 73.

76 Wendt, "Collective," 389. State identities and interests may also be affected by domestic political factors, an element which Wendt recognizes, but which falls outside of the systemic focus of constructivism.

77 Wendt, "Anarchy," 399. There is some suggestion that "social structure" is a broader concept than "institution". The previous quotation identifies "threat complexes" - which may include such social relationships as the "security dilemma" and perhaps the Cold War - as social structures. However, Wendt does not define this concept and generally uses it interchangeably with "institution". No other commentators on Wendt's work have identified this distinction as important. Therefore, for the purposes of this discussion, I will consider "social structure" and "institution" to be essentially the same.
interests, develop within the context of institutions. States usually assign meanings to social situations on the basis of institutionally defined roles. Because states and institutions are constantly in process, there is always the possibility that each can bring about change in the other. Constructivism suggests that state identities and interests—and how states relate to each other—can be altered at the systemic level through institutionally-mediated interactions.\(^7\)

Constructivists focus most of their attention on institutions that exist at a fundamental level of international society, such as international law, diplomacy, and sovereignty. However, the regimes studied by rationalist approaches are also important. Constructivists argue that these regimes also reproduce constitutive as well as regulative norms, a dimension generally ignored by rationalists. These regimes "help to create a common social world for interpreting the meaning of behavior."\(^7\) Their proper functioning, however, also presupposes that the more fundamental institutions are already in place, making their activities possible. These less-fundamental regimes, therefore, benefit from the cooperative effects of much deeper structures.

As a theoretical approach, constructivism is difficult to employ. Wendt states that "(c)onstructivists...are modernists who fully endorse the scientific project of falsifying theories against


\(^7\) Hasenclever, et al., 211.
However, the theory is very difficult to falsify. Constructivism, for example, does not privilege any particular social structure to govern the behaviour of states. Rather, it requires that a given social relationship be examined, articulated and, ultimately, understood. When this is done, then it may be possible to predict state behaviour within that particular structure. However, if these predictions prove false, it could be that the governing social structures were not properly understood or, given that they are always in process, have simply changed from what they were.

Wendt has presented a "pretheoretical" constructivist approach to the development of collective identities. He describes, in a skeletal form, how constructivists explain the formation of collective identities between states. This is attributable to an increase in shared identification. This enhanced identification is a direct result of changes in identity brought about by institutionally-promoted interaction. Constructivism does not require that this be the outcome of social interaction; institutions, as has been noted, can encourage conflict as well as cooperation. Moreover, constructivists acknowledge that international history has produced egoistic states. Thus, any form of collective identity formation must overcome that historical

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80 Wendt, "Constructing," 75. Hasenclever et al. note that constructivists have been criticized by "post-positivist" critics as trying to pursue positivistic causal explanations when their theory is far more "interpretivist" in its orientation. Hasenclever et al., 216.
fact. Nonetheless, making the constructivist approach a usable, testable theory requires that I specify the constructivist argument for the formation of collective identities, then use those arguments to examine the ASEAN case.

The Constructivist Approach to Forming Collective Identities

The following discussion briefly explains the nature of collective-identity formation, before addressing the practices constructivists identify as contributing to the development of collective identities. The decision to focus on the constructivist approach to the formation of collective identities is based on the fact that some observers of ASEAN argue that the organization is the basis of a regional community and identity in Southeast Asia. Implicitly, this is a constructivist interpretation of the evolution of ASEAN.

Identification is a continuum from negative to positive. When an actor identifies positively with another actor, it sees that actor as an extension of itself, defines its interests as part of a collective, and acts accordingly. The extent of identification varies according to issue area and who the other actors are. Without positive identification, the actor will define its interests without regard for others. The others become objects to be manipulated for self-gratification.82

Collective identification entails the positive identification  


82 Wendt, "Collective," 386. Using this model, neorealism's portrayal of states falls on the negative side of the continuum of identification, while neoliberalism falls somewhere near the middle.
of one actor with the welfare of another. The other is seen as a "cognitive extension of the self, rather than independent". 83 This does not mean that such identification is complete, but it is enough to be the basis of an empathetic connection between actors. In theory, this is the basis of feelings of loyalty, community and other kinds of group identification. Actors calculate their costs and benefits at "a higher level of social aggregation". 84

Wendt identifies three mechanisms -- structural contexts, systemic processes and strategic practices -- that play causal roles in creating state collective identities. This list of mechanisms is suggestive, not exhaustive. Through the operation of these kind of mechanisms, states begin to create new definitions of their identities that allow for greater cooperative action.

The structural context is determined by the intersubjective systemic structures discussed earlier. These institutional structures can be cooperative or conflictual, and shape the anarchy in which states exist. Thus, they have an indirect, but important, effect on state identities. For the creation of collective identities, the structural context needs to be sufficiently cooperative to allow for the dynamics of collective identity formation to take root. In a "Hobbesian" world of all against all, states are unlikely to develop positive identifications with each other. In a "Lockean" world of mutually-recognized sovereignty, however, the possibility of collective identity formation is far

83 Ibid.
84 Ibid.
greater. 85

The systemic processes that Wendt identifies as contributing to collective identity formation are interdependence and the transnational convergence of domestic values. These are both traditionally liberal arguments, but constructivism emphasizes that these processes affect state identity, not just behaviour - a point lost by neoliberalism's insistence on treating state interests as "given". 86

Interdependence is manifested in at least two ways. The first may be an increase in the dynamic density of interactions due to such things as increased trade flows. The second may be the emergence of a common threat, or "other". These situations increase the level of mutual vulnerability and sensitivity between states, and thus the strength of interlocking systemic structures. States recognize that their corporate interests cannot be satisfied through unilateral action; they identify a shared fate. In some cases, these changes may only affect the price of behaviour, as rationalists assume. However, as actors become more dependent on each other, basic identities and interests are affected. As a

85 Ibid., 389.

86 Ibid. Note that Wendt is not entirely accurate in referring to these qualities as only "neoliberal." Interdependence is certainly described by neoliberalism, but it is also described by older, liberal-idealistic approaches to international relations. The transnational convergence of domestic values is not described by neoliberalism at all. It is a traditional liberal-idealistic idea and necessarily entails the transformation of state and social identities. See: Charles W. Kegley Jr., "The Neoliberal Challenge to Realist Theories of World Politics: An Introduction," in Charles W. Kegley Jr., ed., Controversies in International Relations Theory: Realism and the Neoliberal Challenge (New York: St. Martin's Press, 1995), 9-14.
state's unilateral ability to meet its corporate needs declines, its incentive to hold onto egoistic policies also declines. As the degree of common fate increases, so does the state's incentive to identify collectively with others. A transformation of interests endogenous to the process of systemic interaction becomes possible.87

The transnational convergence of domestic values is apparent in such developments as the spread of "democratic values," "the concern for human rights," and, perhaps, global consumerism. The effect of these convergent values is to reduce the degree of heterogeneity among states, and with it the rationale for identities that assume the "other" is fundamentally different from "us". This facilitates the process of positive identification.88

Neither interdependence nor the transnational convergence of domestic values are sufficient conditions for the formation of collective identities. The greater vulnerability inherent in rising interdependence and the greater similarities created by converging values may easily cause states to feel deeply threatened. In response, they may redouble their efforts to create and maintain egoistic identities. Increased contact alone does not lead to increased cooperation. According to Wendt:

(t)he key to how states deal with the tension between corporate fears of engulfment and the growing incentives for collective identification... lies in how they treat

87 Ibid.
88 Ibid., 389-390.
each other in their changing interaction context.\textsuperscript{89}

While structural factors and systemic processes shape the context of state interaction, constructivists argue that the evolution of collective identity and communities can only be explained if we examine the effect of states' strategic practices on identities and interests. The actual process of interaction has the potential to change how states see themselves and others. Wendt identifies two kinds of strategic practice: behavioural and communicative.

Behavioural strategic practice can be demonstrated through game theory. Using game-theory, Robert Axelrod has demonstrated that states following a strategy of reciprocity, or "tit-for-tat", learn to cooperate. This analysis, however, is completely rationalist, and assumes that interests and identities remain constant throughout the duration of the game. Constructivists take the analysis one step further by arguing that interaction may transform the interests underlying the game. By describing identities and interests as always in process during interaction, constructivists argue that repeated acts of cooperation can lead to the development of community. Actors learn to identify with each other.\textsuperscript{90}

Rhetorical practice is another kind of strategic practice. It is the attempt by state actors to use discourse to affect how other states perceive their interests and identities. It has the same

\textsuperscript{89} Ibid., 390.

\textsuperscript{90} Ibid.
effect as the "behavioral practices" just discussed, but achieves those goals through communicative means. Rhetorical practices "...presuppose that the social world is constituted by shared meanings and significations which are manipulable..."\(^9^1\) As such, they can be used to create solidarity and are important in the attainment of collective goals. Much of the popular activity in real-world politics falls into this category. Attempts to use and manipulate symbols, or appeals to ideological sensibilities are examples of rhetorical practices at work.

There is nothing inevitable in the formation of collective identities. Nonetheless, from a constructivist perspective, if states do form a collective identity, then the processes and conditions I have just described explain how that identity is forged.

**The "International Society" Approach**

The "international society" approach to international relations is derived from the "Grotian" tradition of international law. Its modern-day supporters are widely regarded as "neo-Grotians" and the approach is most closely associated with the "English" or "British" school of international relations.\(^9^2\) As Timothy Dunne points out, the international society approach fits

\(^{9^1}\) Ibid., 391.

neatly into the constructivist metatheoretical framework.\textsuperscript{93} However, the two frameworks are distinct. For example, the British School's discussion of international institutions is concerned only with the most fundamental institutions of the international society. In addition, it argues that state identities and interests, while capable of transformation, are deeply embedded in the international system and are more rigid and durable than constructivists appreciate.\textsuperscript{94}

For the purposes of this dissertation, I shall focus on Hedley Bull's discussion of international society as representative of the British school. Bull is one of the most influential of the British School theorists. His major exposition of the international society approach, \textit{The Anarchical Society}, provides a clear and accessible guide to the fundamental principles of the theory.\textsuperscript{95}

The international society approach to international relations proceeds from "an admixture of ...three traditions" which have characterized international relations theories in the past.\textsuperscript{96} The first is the "international society" tradition. According to Bull:

\begin{quote}
A society of states (or international society) exists when a group of states, conscious of certain common
\end{quote}


\textsuperscript{94} Ibid., 383.

\textsuperscript{95} For discussions of Bull's influence within the British School, see: Cutler, 42-43, 53-58; Nicholas J. Wheeler and Timothy Dunne, "Hedley Bull's pluralism of the intellect and solidarity of the will," \textit{International Affairs} 72, No.1 (1996), 91-107.

\textsuperscript{96} Dunne, "International Society," 126.
interests and common values, form a society in the sense that they conceive themselves to be bound by a common set of rules in their relations with one another, and share in the working of common institutions. 97

It is important to recognize that states do not have to constitute a society; they can be part of an international system wherein they interact, but do not share mutual obligations and common institutions. In the past, this has often been the case: different international societies have interacted as part of a system, but without mutual social obligations. However, the British school theorists argue that the expansion of European international society throughout the nineteenth and twentieth centuries has created a true international society, encompassing the entire globe. 98

The second tradition - which is also a fundamental international institution underpinning international law - is the practice of state sovereignty. States indicate that they recognize each other as belonging to international society by acknowledging their mutual sovereignty. This means they respect the independence, territorial integrity and domestic authority of member states. 99

The final tradition is that of anarchy. States exist in an anarchical world; the purpose of the society of states, therefore, is to devise rules that will enable states to survive together and


also promote order.  

Bull's international society approach is, essentially, a realist approach to international relations. States are the dominant actors in an anarchic international system. The realist understanding employed by the British school, however, is more politically complex than that utilized by the structural realists. To the British school, states agree to be bound by common rules and institutions because they recognize the advantages and mutual benefits that follow from respecting such constraints. Bull takes a pluralist view of international society. The pluralist view argues that states "are capable of agreeing only for certain minimum purposes which fall short of that of the enforcement of the law." Thus, international society is not based on any universal moral principles or values, just the positive rules, practices and institutions of the society, which reflect the common values and interests of states. The unifying common interests of states are mutual respect for their territorial integrity and independence, belief in the sanctity of keeping promises, and certain limitations on the use of force. These common interests reflect the importance that states place upon preserving an orderly society of independent states. The primary value underpinning international society, therefore, is a commitment to order on the part of its member states. At the same time, the sense of society that evolves through historical interactions and common values plays an important role.

100 Dunne, "International Society," 126.

101 Bull quoted in Cutler, 54.
in causing states to act as part of a community. These social forces interact with and complement the more "realist" influence of enlightened self-interest.102

Bull's argument that states are committed to international order needs further explanation. First, according to Bull:

Because international society is no more than one of the basic elements at work in modern international politics, and is always in competition with the elements of a state of war and of transnational solidarity or conflict, it is always erroneous to interpret international events as if international society were the sole or the dominant element.103

Nonetheless, Bull is interested in explaining "order" in international politics and believes that "international society" is a fundamental characteristic of the modern international system.104

102 Cutler, 54-55; Wheeler and Dunne, 93-94. Wheeler and Dunne note that a crucial difference between Bull's international society approach and more conventional realism is that Bull believed that states' recognition of their rights and duties to each other meant that they would "adhere to the rules and norms of the society of states even when these conflict with their non-vital interests." Wheeler and Dunne, 94.


104 Ibid., 23-52. Bull's commitment to the pluralist view of international society is in contrast to the "solidarist" views of Grotius and even Martin Wight, a fellow "British School" theorist. Grotius rooted his concept of international law and the moral obligations of states in a theory of natural law. Wight based his case for state obligations in Western values and, ultimately, natural law. Cutler argues that Bull's claim that states are committed to international order as their fundamental goal is at odds with his pluralist position, which claims that there is no international consensus on state conduct. She argues that Bull does not "provide the theoretical basis for the transcendent and near universal commitment to the value of maintaining the existing system" that states supposedly have. I do not entirely agree with Cutler's assessment. Bull clearly states that order is not necessarily an "overriding value" for international society; however, it is the value which the society has chosen to identify as its major concern at this time. That purpose may change over time. See: Cutler, 55-56; Bull, The Anarchical Society, xii-xiii;. However, Bull also makes the argument that order is prior to justice in the international system. See: Bull, 86-98. Wheeler and Dunne criticize this argument, arguing that many examples of injustice and inhumanity do not pose a threat to global order.

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Bull defines "international order" as:

...a pattern or disposition of international activity that sustains those goals of the society of states that are elementary, primary or universal.105

Those goals are: the preservation of the state system and society of states; the maintenance of the independence or external sovereignty of individual states; and the goal of peace, understood not as a rejection of war, but as the avoidance of war as the dominant condition of the system. Bull identifies three additional primary goals which are common objectives of all social life: the limitation of violence resulting in death or harm; the keeping of promises; and the stabilization of possession by rules of property. In the context of international society, states recognize limitations on the legitimate use of violence and the conduct of war; keeping promises is represented by the principle pacta sunt servanda; and respect for property rights is reflected in the mutual recognition of sovereignty, sovereignty being historically derived from the idea that certain territories and people were the property of rulers.106 Insofar as states recognize common interests in achieving these goals, they will promote international order. International rules of conduct explain to states how these goals can be met; but fundamental international institutions are necessary to manage the rules and, more importantly, create the

Ultimately, they argue that Bull's moral attraction to solidarism was offset by his practical commitment to realism. Wheeler and Dunne, 104-106.

105 Bull, The Anarchical Society, 16.

106 Ibid., 16-19. Bull notes that this list of primary goals is not exhaustive. Ibid., 19.
environment in which the implementation of the rules is possible.\textsuperscript{107} The nature of these institutions is discussed below.

Understanding power is fundamental to understanding the operation of international society. The European international society was created to further the goals of the European states; its rules and institutions justified such practices as colonialism, and explicitly disadvantaged those political entities and peoples who were outside the European system. Non-European powers, such as Japan, were accepted into European international society only after they demonstrated the power necessary to force the issue. The European society was imposed, by force, upon the rest of the world. The British school theorists argue that its basic norms and structures were gradually accepted by the rest of the world. However, the degree to which modern international society is underpinned by common values is a reason for concern. In many cases, the non-Western world accepted Western values and practices because it was too weak to have any other choice.\textsuperscript{108}

Bull notes that the twentieth century has been characterized by the emergence of the developing world and its efforts to extend its own influence over the normative structures of international society. In many cases, the values and self-declared principles of the West have been utilized by the non-Western peoples to support

\textsuperscript{107} Ibid., 53-59, 66-74.

their own demands for racial and cultural equality and economic change. The developing world has formed groupings such as the Group of 77 (G77) and the Non-Aligned Movement (NAM) to articulate their concerns and demands for accommodation. Bull credits the developing world with limited success in this endeavour, but also notes that the unwillingness of the West to assert its dominance as well as the rise of the Soviet Union played important roles in whatever accommodation was reached with the developing world's demands. Moreover, the ability of the developing world to assert itself within international organizations has sometimes led to Western alienation from those organizations creating, at best, a Pyrrhic victory for the non-Western world.109 This dynamic illustrates the tension between the normative power of social forces and the influence of realist, power-based forces in international society.

It is important to emphasize that international society rests on a foundation of common values as well as common interests; the international society approach cannot be understood only as an exercise of enlightened self-interest on the part of states.110


110 This point is emphasized by Andrew Hurrell, who argues that Bull aimed to:

...identify a conception of international society consistent with self-interest and with the realities of power. Yet, at the same time, there was the awareness that international society could not be understood solely in these terms and had to be rooted within the cultural and historical forces that had helped shape the consciousness of society and had moulded perceptions of common values and common purposes.

However, the European international society developed its practices from the basis of a common culture; it clearly reflected some consensus about common values between its members. The extent to which non-Western states truly share those values is more debatable. Western values were accepted, in large part, by the Westernized elites of the developing world. In addition, the logic of the state system, which all nations accept as the most viable and desirable form of political unit, lies upon a foundation of European international law. However, the "rediscovery" of indigenous cultural and political values in many Asian and African states does have the potential to weaken the structure of international society.

This argument may indicate that the present international society is less contingent on common values than when it was a European-dominated construct, and more dependent on the appeal of common interests. As such, it is potentially more fragile and subject to disruption if and when those interests change. However, it is extremely difficult to make this assessment. In the 1970s and early 1980s, Bull and other British School theorists were very concerned about the disruptive potential of international cultural heterogeneity. In the 1990s, on the surface, this concern may be even more pronounced. Today, the Asian states are leading the attack against what they see as the imposition of Western values in

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111 Watson in Bull and Watson, 31-32.

such areas as domestic human rights and political expression. Moreover, these states are far more powerful today than in the recent past and far more capable of changing the international system to reflect their own values. However, Asian states are also deeply committed to the international economic system and capitalist values. They are also fierce advocates of state sovereignty, the fundamental basis of international society.\textsuperscript{113}

While tensions may continue between the West and non-Western states, there are strong reasons to argue that the influence of international society, in some areas of interaction, is growing even stronger.\textsuperscript{114}

\textit{International Society and International Institutions}

Bull defines international institutions as "...a set of habits and practices shaped towards the realisation of common goals."\textsuperscript{115} He identifies the key institutions of international society as the

\textsuperscript{113} In this respect, the Asian countries' insistence on their sovereign rights is far more in keeping with the logic of Bull's international society than modern Western attempts to promote respect for universal human rights within developing world states. Bull's pluralist international society recognizes the primacy of the sovereign state in part because there is no international consensus on issues such as human rights. See: Cutler, 54.

\textsuperscript{114} For a discussion of the "Asian values debate" see: Richard Robison, "The politics of 'Asian values'" The Pacific Review 9, No.3 (1996), 309-327; Garry Rodan, "The internationalization of ideological conflict: Asia's new significance," in Ibid., 328-351; Michael Freeman, "Human rights, democracy and 'Asian values'," Ibid., 352-366. It is important to note that the cultural and political differences between Asia and the West may be more apparent than real. Asian governments claim that authoritarian structures reflect Asian values. However, most analysts agree that these claims are usually advanced by authoritarian elites seeking to justify their power in a post-Cold War world. The spread of "Western" values - which may, in fact, not be culturally-specific at all - in Asian states may be far more widespread and have much greater resonance in Asian populations than is commonly recognized.

\textsuperscript{115} Bull, The Anarchical Society, 74.
balance of power, international law, diplomacy, war, and the great power management of the international system. Ideally, these institutions promote the maintenance of international society and international order. Thus, states' commitment to order is reflected in their support for these basic international practices.

The balance of power requires the dominant states to balance each others' military and political capabilities. This preserves the state system by ensuring that no single state becomes so powerful as to challenge the sovereignty and independence of the other states. Balances of power within sub-regions prevent the dominance of regional hegemons. The operation of these balances of power creates the conditions that allow the other international institutions to function.

The institution of international law serves three essential functions. First, it identifies the fundamental constitutive principle that international political organization is based around a society of sovereign states. Second, international law states the basic rules of coexistence necessary for that society to function. Third, it helps to mobilize compliance with the rules of international society. The factors that actually cause compliance with international law - such as recognized mutual values, coercion by a larger power, and reciprocal interests - exist with or without legal commitments. International law channels these factors towards compliance, however, by providing the means whereby agreements can

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116 Ibid., 13, 55-76; Cutler, 55.
be codified and a certain level of predictability can be developed within the system. This consideration underlines the fact that international law's effectiveness is dependent upon the political realities of the system.118

Bull defines diplomacy as:

The conduct of relations between states and other entities with standing in world politics by official agents and by peaceful means.119

Diplomacy facilitates communication between leaders of states, helps in the gathering of information and negotiation of agreements, and reduces friction between states. Diplomacy can only function if there exists a real international society of states where ideas of mutual obligation and rules of conduct are considered legitimate. In the twentieth century, Bull believes that international diplomatic institutions have declined, and their function is complicated by a variety of other political forces. Nonetheless, diplomacy remains essential to the maintenance of international order.120

Bull defines war as: "...organised violence carried on by political units against each other."121 To international society, war is an institution that may threaten its existence, but may also

118 Bull notes, for example, that international law's commitment to the society of states would not matter if such a commitment did not exist among states; international law is effective when it gives form and clarity to international political realities. Ibid., 143. The preceding discussion of international law was based on: Ibid., 140-143.

119 Ibid., 161.
120 Ibid., 167-183.
121 Ibid., 184.
be instrumentally useful as a tool to enforce international law, preserve the balance of power, and, perhaps, promote just change. International society has sought to limit war by restricting the legitimate causes and conduct of war.122

The last fundamental international institution is great power management of the international society. The great powers are the politically and militarily most powerful states of the international society. They are also "recognised by others to have, and conceived by their own leaders and peoples to have, certain special rights and duties."123 Great powers sustain international order by managing their relations with one another and using their dominant positions to impart direction to the affairs of international society. These two primary functions are complementary. Responsible great powers carry out these functions by: preserving the balance of power, avoiding and controlling crises, limiting wars, exercising dominance in particular geographical or political areas, and respecting each others' spheres of influence. Bull argues that most of international society informally accepts the special role of great powers, but these powers must conduct themselves in ways that preserve their legitimacy. This includes seriously considering demands for just change coming from different parts of the globe and accommodating local powers in the management of regional relations.124

122 Ibid., 184-189.
123 Ibid., 202.
124 Ibid., 200-229.
Bull acknowledges that the operation of these institutions often conflict. International law, for example, is frequently violated by the operation of the balance of power, great power management, or war.\textsuperscript{125} Nonetheless, these institutions are necessary to create an environment in which international society can exist and order be promoted.

The institutions defined by the international society approach are different in kind and nature from those studied by neoliberalism. "For English School theorists, institutions are practices embedded in the fabric of international society."\textsuperscript{126} These institutions do not merely reflect state interests; they are constitutive of international society, and make state action both possible and meaningful. From the international society perspective, international cooperation precedes the creation of the specific regimes that are the focus of rationalist theories; indeed, international society, and the basic cooperation it entails, makes the creation of such regimes possible.\textsuperscript{127}

In the final analysis, the international society approach is a realist approach to international relations that recognizes the constraining power of international institutions. Within an international society, states are primarily motivated by a commitment to order. As a result, they are committed to the institutions of the society, which uphold that order. States comply

\textsuperscript{125} Ibid., 74, 91-93.

\textsuperscript{126} Dunne, "International Society," 141.

\textsuperscript{127} Wendt and Duvall, 53; Dunne, "International Society," 141-143.
with international norms and rules out of both a sense of enlightened self-interest and the sense of belonging to a larger society, created by historical interaction. While material power is still a critically important factor to determining the principles of international society, normative considerations possess a political power that theorists must take into account.

The Specification of the Theoretical Approaches

The remainder of this chapter addresses how I plan to go about seeking answers to the primary research questions of this dissertation. All of the theories that I am utilizing to answer the research questions are underspecified and difficult to employ as explanatory models. The following discussion specifies the characteristics of the theories that I will use as the basis for my analysis.

Realism focuses on states as the primary actors in the international system.\(^{128}\) States are primarily motivated by the desire to enhance their own security. They do so through the pursuit of material power, and they define threats in strictly material terms. State interests and identities are exogenously given and unchanging. States pursue their interests as rational actors. Finally, state action is enabled and constrained by the material structures of the international system. Under these conditions, cooperation is difficult to achieve.

\(^{128}\) For the remainder of this dissertation, I will refer to this theory as "realism" rather than "neorealism" or "structural realism". However, the model of realism defined here is based more closely on neorealist, rather than classical realist, principles.
In neoliberal institutionalism, states are the primary actors in the international system. They are rational actors and are motivated by a desire to maximize their individual utility. State identities and interests are exogenously given and unchanging. The structures of the international system are material, though shallow norms and rules affect the way in which states perceive their environments. Cooperation is a problem due to states' fear of being cheated by other states, but is encouraged by the operation of regimes.

The version of constructivist theory that I use for this dissertation is focused exclusively on the formation of collective identities. States and institutions are the primary, mutually-constitutive entities in international society. State interests and identities are constructed by the social structures in which they interact; they are, therefore, capable of transformation through learning and interaction. The structures of the international system are intersubjective, not material.

The international society approach identifies states as the primary actors in the international system, though their activities are shaped and constrained by institutions. States are motivated by a concern with creating and maintaining order and stability. State interests and identities are durable and difficult to change though, hypothetically, they are capable of transformation through learning and interaction. The international structure is contingent upon the deep institutions of the international society.

Table 2.1, below, graphically expresses the fundamental
characteristics and assumptions of these theories.

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<th>Constructivist Theory</th>
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<tr>
<td>Identities</td>
<td>Given and unchanging</td>
<td>Given and unchanging</td>
<td>Transformable</td>
<td>Transformable, but difficult</td>
</tr>
<tr>
<td>Decision-Making</td>
<td>Rational adaptation</td>
<td>Rational adaptation</td>
<td>Cognitive</td>
<td>Cognitive</td>
</tr>
<tr>
<td>Structure</td>
<td>Material incentives (enabling, constraining)</td>
<td>Material incentives, shallow norms (enabling, constraining)</td>
<td>Social attributes (norms, practices, intersubjective identities)</td>
<td>Social attributes (deep institutions)</td>
</tr>
</tbody>
</table>

Table 2.1: Fundamental Characteristics of the International Relations Theories

Each of these theories offers markedly different answers to the questions of why institutions/regimes are created, maintained, and transformed. Realism suggests that regimes are created in response to material threats or to manage the distribution of gains in relations between states. It follows from this that regimes are maintained either because the threat persists, or the need to distribute gains continues. Regimes are transformed either because the threat increases, forcing the strengthening of the regime, or the threat decreases, causing the institution to weaken or dissolve.

Neoliberal institutionalism explains regime creation as a response to a particular collaboration or coordination problem. States create regimes to allow them to cooperate in some mutually beneficial way on a specific problem. States maintain regimes if they overcome the uncertainty surrounding the issue-area. They do
this by creating transparency, reducing transaction costs, and providing information to their member states. If a regime fulfills its functions, or the reasons for its creation cease to have meaning, then it should decline. However, some successful regimes transform and grow by "spilling over" into other, functional issue areas related to their original purpose.

Constructivism's focus on collective identity formation suggests that states create regimes out of a nascent sense of common identification with each other. States maintain regimes as the processes of interaction strengthen the level of shared identification between members. Finally, regimes transform if state identities change to entail broader and deeper identification. Alternatively, a regime will weaken if the sense of shared identity between states falters.

Utilizing the international society approach in relation to ASEAN is a bit more complicated than with the other theories. The international society perspective focuses on the five fundamental institutions of the international system. It does not deny the importance of other institutions. However, it does suggest that they are less fundamental than, and are derived from, the primary institutions. It follows from this that institutions are valuable based on how they support the more fundamental institutions and, therefore, how they contribute to international order. This suggests that states create regimes if they enhance the existing international order by allowing the attainment of common values or goals. States maintain regimes if they demonstrate their
Table 7.2: How the Different International Relations Theories Explain the Evolution of ASEAN

<table>
<thead>
<tr>
<th>Reasons for ASEAN: =&gt;</th>
<th>Creation</th>
<th>Maintenance</th>
<th>Transformation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Realism</td>
<td>a response to material threat; to control distribution of gains.</td>
<td>persistence of material threat; successful at distribution of gains.</td>
<td>increase in material threat causes growth in regime. Decrease in threat causes weakening or dissolution.</td>
</tr>
<tr>
<td>Neoliberal Institutionalism</td>
<td>response to specific collaboration/cooperation problem.</td>
<td>successful management of problem. Provides information, transparency, reduces transaction costs.</td>
<td>spillover into related issue areas.</td>
</tr>
<tr>
<td>Constructivist Theory</td>
<td>some antecedent of common identity.</td>
<td>intensified of shared identities, international social structures. Increases chances of cooperative behavior.</td>
<td>change in state identities. This may entail broadening and deepening of shared identities.</td>
</tr>
<tr>
<td>(Formation of Collective Identity)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International Society Approach</td>
<td>expression of common values, goals, enhances international order.</td>
<td>demonstrated effectiveness as political institution.</td>
<td>belief in increased ability to affect/enhance international order.</td>
</tr>
</tbody>
</table>

effectiveness at supporting order. Finally, regimes transform to become more encompassing if their member states believe that they can be more effective at enhancing international order. Two important limiting conditions should be kept in mind: first, the international order supported by regimes is the status quo. States value stability and order. Though they may seek to change the existing international society, they will usually do so from within the accepted parameters of the system. Second, the fundamental institutions are often in conflict though, ultimately, they still need to work together to maintain international society. For the purposes of this study, I will consider the international society approach to be a strong match to ASEAN's experience depending upon the extent to which ASEAN demonstrates commitment to, and support
for, any or all of the fundamental institutions.

Table 2.2, above, expresses how I project each of the theories to respond to the research questions in regards to ASEAN. The table is reproduced as a guide to discussion in Chapter Eight, where I undertake a full analysis of which theories best explain ASEAN, in light of the evidence.

Research Methodology

The primary research undertaken for this study is a series of elite interviews that I conducted in the ASEAN states between January and March of 1995. There are a few problems associated with this methodological approach that must be discussed from the outset, in order to establish the validity - and limitations - of the evidence.

I conducted a total of 27 interviews over the course of four months. I visited all of the states that were members of ASEAN at the time - the Philippines, Thailand, Malaysia, Singapore, Indonesia and Brunei. In total, I spent approximately two months in the Philippines, from November 22, 1994 to January 15, 1995, then from March 5 to April 7, 1995. Between January 15 and March 4, I spent two weeks each in Thailand and Indonesia, one week each in Singapore and Malaysia, and four days in Brunei.

The interviews I conducted were with academics and government officials in the foreign policy establishments of the ASEAN states. The schedule of interviews and the interview subjects were established, in most cases, by the ASEAN-ISIS affiliate in each
country. In the Philippines and Thailand, I was given a list of officials and academics my hosts thought I should contact. I then arranged the interviews myself. In all of the other cases, however, the interviews were arranged for me. This point is important because the list of interview subjects may, inadvertently, have reflected the political and ideological dispositions of the host institutes. However, I am confident of the validity of the project in this respect. The interview subjects expressed a fairly wide-range of opinion and, in at least one case, directed me towards others who disagreed with them.

A more pertinent concern is that my access to interview subjects varied from country to country. In Thailand, my greatest access was to academics, though I did interview a former high-ranking diplomat, and the Deputy Minister of Foreign Affairs responded to a questionnaire that I sent to him. I had the greatest success in Indonesia, where I obtained interviews with a number of high-ranking government officials, as well as academics. I was least successful in Singapore, where I only had access to academics. This varied access means that it is impossible for me to make direct comparisons between officials at approximately the same level of seniority throughout the ASEAN states. In addition, the numbers of subjects I interviewed varied from state to state. For example, while I spoke to seven officials and academics in

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129 The ASEAN-ISIS network is a group of research institutes located throughout Southeast Asia. With the exception of Brunei, there is an affiliate in each of the ASEAN states. In Brunei, the Philippines' ASEAN-ISIS affiliate arranged for a high-ranking official in the foreign ministry to be my host and sponsor.
Indonesia, I only saw one official in Brunei. However, I believe that the nature of the information that I am looking for, complemented by secondary sources, will compensate for this limitation. The methodology of elite interviewing proceeds from the assumption that members of the elite are representative of a significant component of their cohort. Therefore, what is most important is not the number of interview subjects, but rather the nature and extent of their access to the processes being studied. In that respect, I believe that this project has been very successful.

The interviews that I conducted were semi-structured. I had a series of key questions or ideas upon which I based my own questions. I tried to phrase the questions in such a way that they did not bias or assume a particular answer. I used the following guide as the basis of my questions. The personal notes after each question were for my own use, to be certain that I was clear on the information I tried to obtain with each question.

Questions for Interview Subjects

1) How does ASEAN function -- that is, through what mechanisms does it perform its central task of mitigating disputes and developing connections between its member states?

Personal note: This question is meant to get at how ASEAN actually works - not in formal meetings and structured discussions, but informally, on golf courses and in the hallways of meeting places. The idea should also be addressed that ASEAN deals with contentious issues by talking around them, by making other connections and linkages possible.

2) How important are the formal mechanisms of ASEAN in this respect?

PN: This is just a clarification of the above point.
3) To clarify: what are ASEAN's purposes as an institution?

PN: What function does ASEAN actually serve -- is its function primarily economic, political, or security-oriented? What is meant by each? Looking here for a focus on the internal security aspect. Later on, must clarify how this can be related to the ARF.

4) How important is ASEAN to shaping the way in which your country defines its national interests? How does your country define its national interests? (i.e., how significant are international factors such as international institutions vs. domestic political considerations?)

PN: Self-explanatory. The key point here is finding out if and why ASEAN is important.

5) How important was the Cambodian situation in shaping how you see ASEAN?

PN: Looking here for an explanation of how ASEAN's development and functions during the Cambodian crisis affected the way it was perceived within the country. How important was ASEAN and the Cambodian situation? (Note: for Thailand, its role in ASEAN during this period is particularly important, due to its status as a frontline state)

6) What is your opinion of the ASEAN Regional Forum (ARF)?

PN: How effective do they think the ARF can be? Should it exist and be created within the context of ASEAN? Will it be successful?

7) Can the ARF work in the way that it is conceptualized? Why or why not?

PN: Can the ARF be a kind of "talk-shop"? Can it use the "ASEAN process" to bring in non-ASEAN states? Be clear on exactly how the ARF is conceptualized. Is there a fear that the ARF will be appropriated by the other actors?

Using these questions as the basic framework, I allowed the interviews to develop at their own pace and in their own direction.

Finally, the specific time period I am examining is from the creation of ASEAN in 1967 to the end of 1995. The interviews I conducted, for the most part, were targeted at explaining ASEAN's transformation in the post-Cold War period, between 1990-1995. Nonetheless, understanding some of the theoretical implications of
the following discussion does require drawing on some more recent developments in ASEAN, notably Vietnam's admission to ASEAN in July 1995. This is the one major incident beyond the beginning of 1995 that I felt needed to be addressed and considered as part of ASEAN's post-Cold War transformation.

Conclusion

Neoliberal institutionalism portrays regimes as mitigating factors that promote functional cooperation within an anarchic international system. Realism believes that regimes can, at most, maintain a politically-acceptable distribution of gains between states, or, perhaps, help to overcome physical threats to the security of states. For both of these theories, the international system makes cooperation difficult. They require states to be narrowly self-interested actors.

Constructivism focuses on the ability of institutions to redefine state identities and interests. Constructivists believe that, through interaction, states can learn to identify more strongly with each other to the point that they form a durable collective identity. The international society approach portrays states as self-interested actors who cooperate to facilitate an orderly and mutually beneficial international system. In this theory, fundamental international institutions are the foundation of international society. By extension, less fundamental institutions operate to support international order.

ASEAN is an institutional structure; more narrowly, it also fits the definition of a regime. One of these distinct
interpretations of institutions may help to explain the evolution of ASEAN and offer some new insights into the fundamental nature of what ASEAN is and what it may become in the future.
CHAPTER THREE: AN HISTORICAL OVERVIEW OF ASEAN

Introduction

This chapter reviews and analyzes the history of ASEAN, paying special attention to the circumstances surrounding ASEAN's creation, the political and economic obstacles that the organization faced in the course of its early development, and the processes and structures that ASEAN created to manage its relations and activities. This chapter examines ASEAN's political development up to the end of 1976, and the Bali Conference. It also discusses the evolution of ASEAN's structures and its operations as an economic institution throughout the Cold War period. The next chapter examines ASEAN's relations with Vietnam between 1976 and the end of the Cold War. The ASEAN-Vietnam relationship during this period played a fundamental role in ASEAN's development and requires special consideration.

This chapter does not reach any strong conclusions on the nature of ASEAN's political development during the Cold War period: that discussion will wait until the end of Chapter Four, after I have drawn a complete picture of ASEAN from this time. A few tentative conclusions are possible, however.

First, ASEAN's limitations as an economic and security regime before the Vietnam invasion of Cambodia reflected ASEAN's difficulties in reaching consensus on important issues. Nonetheless, ASEAN did make incremental progress towards different security goals, as demonstrated by the Bali Conference of 1976. Bali was a fairly impressive achievement, given the level of
conflict that had existed between the ASEAN states less than a decade before. However, ASEAN was unsuccessful as an economic regime during the Cold War. ASEAN was most accomplished as a political instrument for its member states.

The Origins of ASEAN

The origins of ASEAN cannot be understood without first examining the history of Southeast Asia. Southeast Asia in the pre-colonial period was rife with internal divisions and the interference of external powers. Geography made regular communication difficult between the states of the region. Even though the regional societies were heavily influenced by the cultures of India and China, no power was able to control Southeast Asia before the Japanese occupations of World War II. The period of European colonialism helped to solidify divisions within Southeast Asia by orienting the colonized states towards their respective imperial centres. In the post-WW II era, the states of Southeast Asia had stronger connections to their former colonial masters than to each other. Thus, the people of the region needed to overcome

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considerable barriers to develop a sense of regional identity.\textsuperscript{2}

The term "Southeast Asia" came into wide use during WW II, when it was used to designate the theatre of war commanded by Lord Louis Mountbatten.\textsuperscript{3} Japan's expulsion of the Western colonial powers from the region led the people of Southeast Asia to believe that their independence was at hand. These expectations were disappointed by the brutal conduct of the Japanese occupiers, but they were still enough to ensure that the process of decolonization began once the war ended. After the war, the European powers, notably the Dutch and the French, attempted to reassert their dominance over their former Asian holdings. Indonesia had begun its struggle for independence in the pre-war era. It continued its fight against the returning Dutch, eventually gaining its independence in 1949.\textsuperscript{4} Vietnam began its own battle for freedom from Western domination. With the exception of Thailand, the other

\textsuperscript{2} Frost, 2-3.

\textsuperscript{3} Other outsiders treated Southeast Asia as a distinct region well before the Allied Forces during World War II. The Chinese and Japanese referred to the region, respectively, as "Nanyang" and "Nanyo", both expressions meaning "the southern seas". See Jorgenson-Dahl, p.xii. It is worth noting that Mountbatten's South-East Asia Command (SEAC) did not encompass many of the states now regarded as part of Southeast Asia. Today, it is generally recognized that there are ten states in Southeast Asia. These are: Brunei, Burma, Cambodia, Indonesia, Laos, Malaysia, The Philippines, Singapore, Thailand and Vietnam. SEAC did not include the Philippines or the Malay archipelago east of Sumatra; it did include Christmas Island, Sri Lanka (where it was headquartered in 1944-45), the Andaman, Laccadive, and Nicobar Islands, and the Maldives. None of these are now considered part of Southeast Asia. See Donald K. Emmerson, "'Southeast Asia': What's in a Name?", Journal of Southeast Asian Studies 15, No.1 (March 1984),1-21.

\textsuperscript{4} For an overview of the Indonesian nationalist movement, see SarDesai, 154-162. The Indonesian nationalist movement started taking political form at the turn of the century, around issues of education.
states of Southeast Asia remained dominated by foreign powers, but it was only a matter of time before the Southeast Asian states acquired actual, as well as formal, independence. Nonetheless, Southeast Asia continued to be an arena of competition between the great powers. It became a volatile dividing line in the international struggle between the United States and the Soviet Union, as well as an important battleground in the conflict between China and the Soviet Union.

The experience of colonialisism exploitation deeply affected how the states of Southeast Asia perceived the regional environment. To differing degrees, the leaders of the region saw the international system as predatory, with powerful states always waiting to exploit the internal weaknesses of weaker states. The suspicions and concerns of the Southeast Asian states also extended to one another. This perception of external threat has played a fundamental role in the shaping of regionalism in Southeast Asia.

A number of attempts at creating regional organizations were made before the creation of ASEAN. These earlier attempts failed largely because they were initiated by outside powers and meant to

^5^ During the post-WW II period, the Philippines remained firmly allied to the United States and was home to major American military installations. Thus, while no longer formally an American colony it was still clearly not independent of American interests. Malaya (including Singapore) remained a colony of Britain until 1963. Only Thailand was never directly colonized by a foreign power, and this was largely due to the Thai ability to compromise and be sensitive to the demands of more powerful states.


^7^ Jorgenson-Dahl,70-72. Tilman presents an excellent overview of the strategic perceptions of the five original ASEAN states. See: Tilman, 37-62.
serve the interests of external actors. The Southeast Asian Treaty Organization (SEATO) was an American attempt to expand its network of anti-Communist security arrangements. SEATO was created in 1954. Only two members - the Philippines and Thailand - were actually from Southeast Asia. SEATO never enjoyed a high-level of commitment from any of its members. By the time it was dissolved in 1977, it had developed a highly complex structure, but was irrelevant to the security concerns or development of regionalism in Southeast Asia.

Another regional entity that quickly failed was the Asian Pacific Council (ASPAC). ASPAC was the brainchild of South Korean President Park Chung-hee. Created in 1966, it expired seven years later. It was meant to be a grouping of Western Pacific non-Communist states designed to deal with external threats. At the same time, though, it declared itself to be "non-military, nonideological, and not anti-Communist". The objectives of the organization were never clear, and its membership and goals were probably too diverse, if not contradictory, to hold it together. Only four Southeast Asian states were part of ASPAC. Indonesia, the

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8 The other Asian member of SEATO was Pakistan. Besides these three and the U.S., the members of SEATO were: Australia, Britain, France and New Zealand. The membership roster clearly reflects the Western orientation and interests of SEATO.

9 Palmer, 62-63; Frost, 3.

10 Quoted in Palmer, 63.
largest state of the region, was present only as an observer.\textsuperscript{11} The Association of Southeast Asia (ASA) and MAPHILINDO were established in 1961 and 1963, respectively. They were different from other regional organizations in that their membership consisted entirely of Southeast Asian states and they were both the result of regional initiatives. The members of the ASA were Malaya, the Philippines and Thailand. The ASA was eventually neutralized by its apparent political connections to SEATO (two of the ASA's three members belonged to SEATO) and by a regional dispute between the Philippines and Malaya over the Malayan province of Sabah.\textsuperscript{12} Nonetheless, the ASA was important as the foundation on which ASEAN was constructed, and merits further exploration.\textsuperscript{13}

The idea of an indigenous regional organization comprised of the states of Southeast Asia was first advanced in 1958 by Prime Minister Tunku Abdul Rahman of Malaya. Apparently inspired by examples of regionalism in Europe, the Tunku initially advocated the creation of an anti-communist security organization. He soon realized that such an organization would divide the non-communist states of Southeast Asia, some of which were non-aligned. The Tunku then supported the creation of a regional organization that would

\footnote{\textsuperscript{11} Palmer, 63, Jorgenson-Dahl, 11. The members of ASPAC were: Australia, Japan, Malaysia, Taiwan, New Zealand, the Philippines, South Korea, South Vietnam, and Thailand. Laos and Cambodia opted for observer status, along with Indonesia.}

\footnote{\textsuperscript{12} Palmer, 64. Frost, 4. China, the Soviet Union and the Communist states of Indochina all denounced the ASA as an offshoot of SEATO.}

\footnote{\textsuperscript{13} The following discussion of the history of the ASA is based on Jorgenson-Dahl, 9-44.}

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not be directed *against* any other party, but would further economic and cultural cooperation. However, his habit of talking about such an organization while, in the same breath, venting his anti-Communist inclinations, fostered the widely-held view that he was really still supporting the formation of an anti-communist regional bloc.

Even as the Tunku retreated from the idea of an anti-communist bloc, Filipino leaders carried the anti-communist theme a step further by explicitly trying to build a non-military, anti-Communist alliance among the non-communist states of Southern Asia. The further involvement of Thailand in initiatives for regional organization meant that the three most pro-Western, anti-communist states in the region were at the forefront in promoting regionalism. This fact effectively limited the appeal of the ASA when it was created, especially to Indonesia, the largest regional state. Indonesia suspected that the Malayan proposals were an attempt by the SEATO states to subtly link themselves to the non-SEATO states. Thus, the effect of the ASA was to divide the non-communist states of Southeast Asia, exactly as the Tunku had feared. In one camp were those states that actively opposed communism in general, China in particular, and saw regional economic cooperation as the way to combat these influences. In the other camp were those states, mostly of mainland Indochina, which attempted to accommodate China and refused to participate in any organization that even hinted at an anti-China disposition.

The Association of Southeast Asia (ASA) was established on
July 31st, 1961, at a meeting between the foreign ministers of Malaya, The Philippines and Thailand in Bangkok. The Philippines and Malaya had originally envisioned an organization clearly modelled on the European Economic Community, with strong institutional structures and obligations. Thailand, however, favoured an organization with a much looser structure, and without binding obligations upon its members. In the end, the other two states acquiesced to Thailand's vision, both because they required Thai participation in the ASA and because they hoped that the less-formal character of the ASA would entice other Southeast Asian states into joining. It did not, but the minimal institutional structure of the ASA and its lack of state obligation were characteristics that were carried over into ASEAN and have come to form the basis of the "ASEAN Way" - an approach to regionalism that, to many observers, is at the core of ASEAN's viability and continued success. The ASEAN way is addressed in more detail below.

Despite initial frenetic activity, the ASA soon ran into an insurmountable obstacle. This was the Philippines' claim on British North Borneo, or Sabah, which the British intended to include in the proposed Federation of Malaysia.¹⁴ This territorial dispute disrupted the workings of the ASA in late 1962 and throughout 1963. Malaya, Singapore, Sabah and Sarawak were amalgamated on September 16, 1963, into the state of Malaysia. Thereafter, the ASA was

essentially paralyzed for the next three years.

MAPHILINDO, as the name indicates, consisted of Malaya, the Philippines and Indonesia. It was proclaimed in August 1963, but was dealt a decisive blow a month later when the Federation of Malaysia came into being. Neither Indonesia nor the Philippines recognized Malaysia. As already noted, the Philippines laid claim to some parts of Malaysian territory. Indonesia viewed Britain's creation of Malaysia as another example of an imperial power imposing its will on Southeast Asia. In response, it embarked on a policy of "Konfrontasi" (Confrontation) with Malaysia (and Singapore, after it was expelled from Malaysia) that lasted until 1966.15 MAPHILINDO was significant, however, in that it was the first regional organization that Indonesia agreed to join.

The "Konfrontasi" between Malaysia and Indonesia was fundamental in shaping the security environment in Southeast Asia

15 Frost, 4; Palmer, 64. Ethnic Malay political leaders had accepted predominantly ethnic Chinese Singapore into Malaysia only very reluctantly. The addition of the 1.2 million Chinese of Singapore to Malaysia upset the "racial balance" of the state and made Malays less than the majority ethnic group in Malaysia. The Malaysian constitution provided special economic and political rights to Malays, as well as privileged access to education. Throughout the early part of 1965, Lee Kuan Yew, the Prime Minister of Singapore and leader of the People's Action Party (PAP) campaigned against these policies and tried to popularize a non-ethnic vision of Malaysian society with Malaysians. The PAP's attempts to create a multi-racial party largely failed. Its efforts appealed mostly to non-Malays and helped to further polarize communal differences. Malay members of the PAP were branded traitors to their race. Malay leaders felt that without special privileges their people would remain at the bottom of the social and economic ladder. Malaysian Prime Minister Tunku Abdul Rahman was unable to create a policy that could unite both moderate and ultra-conservative Malays and which could contain the PAP. In the end, he decided to eject Singapore from the Malaysian federation rather than risk further ethnic strife. He announced Singapore's ejection from Malaysia on August 9, 1965. See: J.A.C. Mackie, Konfrontasi: The Indonesia-Malaysia Dispute 1963-1966 (London: Oxford University Press, 1974), 292-297; Sar Desai, 254-255.
and has cast a shadow across intra-ASEAN relationships ever since. "Konfrontasi" was a policy of regional disruption, initiated by the government of Indonesian nationalist leader Sukarno mostly for domestic political reasons. It consisted of the denunciation of Malaysia as a country created by British imperialism, and sometimes became violent as Indonesia attempted to undermine the stability of the new state by supporting guerrilla movements within Malaysia.16

Sukarno effectively lost much of his power to the Indonesian military in 1966, after a failed attempt by the Communist Party of Indonesia to stage a coup d'état. The military - which was traditionally at odds with the Communists - used the opportunity to seize power and liquidate hundreds of thousands of Communists and their supporters. Sukarno lost power to General Suharto. Sukarno remained as a figurehead in the government until 1967, when he was officially deposed.17

"Konfrontasi" underlined the disruptive potential of Indonesia

16 Alagappa explains Konfrontasi by noting that Indonesia wished to establish an international reputation as a representative of the "emerging forces" of the developing world opposed to "reactionary and repressive old established forces." In this respect, Malaysia served as an example of "neocolonialism". In addition, Indonesian political forces portrayed Malaysia as a threat to the territorial integrity of Indonesia. Therefore, Sukarno, the Communist Party of Indonesia (PKI) and the Armed Forces of Indonesia (ABRI) all supported Konfrontasi to help establish their nationalist credentials. See: Muthiah Alagappa, "The Dynamics of International Security in Southeast Asia: Change and Continuity," Australian Journal of International Affairs 45 (May 1991), 18. For a full account of Konfrontasi, see: J.A.C. Mackie, Konfrontasi: The Indonesia-Malaysia Dispute 1963-1966 (New York: Australian Institute of International Affairs, 1974).

17 For a detailed account of these events, see Justus M. van der Kroef, Indonesia After Sukarno (Vancouver: University of British Columbia Press, 1971), 1-45. The exact number of people killed by the military and anti-communist nationalist gangs is unclear, but may have been more than 1 million. Van der Kroef,14.
as the largest and most militarily-powerful state in the region.\textsuperscript{18} Suspicion and fear of Indonesia was a powerful factor in shaping Southeast Asian security perceptions in the post-Konfrontasi era; it is still a significant factor today.\textsuperscript{19} Suharto's Indonesia was very concerned with reducing intra-regional tensions and reassuring its neighbours that the new Indonesia would not be the destabilizing influence of the past. "Konfrontasi", however, also revealed to the involved states their mutual dependency and vulnerability. Indonesian economic sanctions against Malaysia were almost as painful to Indonesia as to their intended target.\textsuperscript{20} Indonesia went from being a state largely indifferent to efforts at regional organization to a major proponent of regionalism.

The territorial and political disputes between the countries

\textsuperscript{18} Konfrontasi between Indonesia and Malaysia came to an end in May 1963, after a meeting in Bangkok between the foreign ministers of the respective states. Officially, the Bangkok talks did not reach any definite agreements (though a secret Bangkok Accord may have been negotiated) but indicated the desire of both states to move toward a normalization of relations. Indonesia recognized Singapore in June of 1966, but the Jakarta Agreement ending Konfrontasi and normalizing relations between Indonesia and Malaysia was not signed until August 16, 1966. See: Mackie, 318-322. The Philippines and Malaysia had maintained mutual consular establishments since 1964; these links were upgraded to full embassies on June 3, 1966, in accordance with Philippine President Ferdinand Marcos' determination to initiate diplomatic relations with Malaysia. Marcos had delayed implementing this initiative under pressure from the Indonesian government. See: Garner Noble, 160-161.

\textsuperscript{19} The idea that ASEAN itself is primarily a tool designed to control Indonesia within the sub-regional context remains a powerful reason for the organization's continued viability today. In the course of my research in the region, I was struck by the fact that the Indonesians I interviewed generally viewed their country's commitment to ASEAN as a form of self-restraint and were most inclined to define ASEAN as an instrument designed to constrain Indonesia. The Indonesians were also likely to view their country as too large to meet its international aspirations within the context of ASEAN.

\textsuperscript{20} Michael Antolik, \textit{ASEAN and the Diplomacy of Accommodation} (Armonk: M.E. Sharpe, 1990), 19.
of Southeast Asia underlined the need for a regional organization that could deal with these tensions. The ASA still existed, but outsiders saw it as politically aligned to the West, an overt affiliation that Indonesia, as a leader in the non-aligned movement, wished to avoid. Indonesia was also highly conscious of itself as the foremost state in Southeast Asia, and did not wish to join an organization that it had no role in creating and moulding. A new organization was required. That organization was ASEAN.  

The Formation of ASEAN: 1967-1975

The participating governments officially established the Association of Southeast Asian Nations (ASEAN) in Bangkok on August 8, 1967. Its founding members were Indonesia, Thailand, Malaysia, Singapore and the Philippines. Attending were the foreign ministers of Indonesia, the Philippines, Singapore and Thailand, and the deputy Prime Minister of Malaysia.  

ASEAN's founding purpose was to ensure the survival of its members by promoting regional stability and limiting competition between them. When ASEAN was established, the greatest threat to the national security of its individual states were indigenous insurgescencies which potentially invited external intervention in the region. ASEAN answered this threat in three mutually-reinforcing ways. First, the ASEAN states sought to reduce the appeal of internal Communist insurgescencies by promoting domestic socio-

\[^{21}\text{Frost, 4.}\]

\[^{22}\text{Ibid.}\]
economic development. Second, ASEAN sought to reduce the regional military influence of external actors. The Bangkok Declaration declared foreign military bases in the region to be "temporary" and promoted "security from external interference" as an "objective". Lastly, ASEAN sought to reduce intra-ASEAN competition and improve the relationships between members. A strong consensus existed between the member states on the intra-ASEAN dimension of these security objectives. The provision designating foreign military bases as "temporary," however, initially ran into difficulties.

The original invitation to join what would become ASEAN was the Southeast Asian Association for Regional Cooperation (SEAARC) proposal. It was drafted by Thailand after consultations with Indonesia, and was issued to the other potential member states in December, 1966. The SEAARC proposal was a way to bring Indonesia into a regional organization without making it seem that Indonesia had asked to join. Though sponsored by Thailand, it expressed the Indonesian view on regional security, and contained references to security matters that were not acceptable to the other Southeast Asian states. The SEAARC proposal described the member states as:

Believing the countries of Southeast Asia share a primary responsibility for ensuring the stability and maintaining the security of the area...

Being in agreement that foreign bases are temporary in

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23 This objective is expressed in the notion of "national" and "regional resilience". This idea of "national resilience" comes from Indonesia, and is an expression of the belief that a state that is truly internally strong does not need to fear external provocations. See: Michael Leifer, ASEAN and the Security of Southeast Asia (London: Routledge, 1989), 4.

24 Rolls, 324-325; Huxley in Broinowski, 84-85.
nature and should not be allowed to be used directly or indirectly to subvert the national independence of Asian countries, and that arrangements of collective defense should not be used to serve the particular interest of any of the big powers.25

The Philippines, Malaysia, Singapore and Thailand all maintained security relationships with foreign powers, and saw the SEAARC as a criticism of these policies. The Philippines rejected the SEAARC formulation. When the parties met in Bangkok to draft the ASEAN Declaration, the Filipinos expressed the view that they would rather the document not refer to security matters at all than take the position advocated in the SEAARC proposal. In this, they were strongly supported by Singapore, and less strongly by Malaysia and Thailand. However, this was not an acceptable solution to Indonesia. Difficult bargaining followed; in the end, the compromise reached omitted reference to the idea of collective defense arrangements serving the interests of big powers. The two security provisions in the ASEAN Declaration's preamble read:

CONSIDERING that the countries of South-East Asia share a primary responsibility for strengthening the economic and social stability of the region and ensuring their peaceful and progressive national development, and that they are determined to ensure their stability and security from external interference in any form or manifestation in order to preserve their national identities in accordance with the ideals and aspirations of their peoples;

AFFIRMING that all foreign bases are temporary and remain only with the expressed concurrence of the countries concerned and are not intended to be used directly or indirectly to subvert the national independence and freedom of States in the area or prejudice the orderly processes of their national development;...26

25 Quoted in Jorgenson-Dahl, 36.

26 ASEAN Declaration, Preamble, Bangkok, 1967.
The controversy over the wording of the security provisions in the ASEAN Declaration underlines both how important this issue was to the member states and their considerable differences in security outlooks. Indonesia, despite undergoing a dramatic reorientation in foreign policy under Suharto, saw the region as being targeted by foreign powers and still strongly believed that its national security was best served by following a policy of self-reliance and non-alignment. It also believed that the other Southeast Asian states should follow its lead. 27

The other ASEAN states were not unsympathetic to the Indonesian position, in principle. The ASEAN states saw foreign powers as unreliable allies and recognized the strong emotional appeal of the idea of controlling their own region. 28 However, this was generally regarded as a goal for the future. The Filipinos were convinced that their security was best served by maintaining their strong bilateral defense ties with the United States, which maintained major military bases in the country. Likewise, Singapore remained dependent on protection from Britain. Singapore was home to the largest British base in the region. In 1967, the Singaporeans still believed that they could rely on direct British protection for another ten to fifteen years. Moreover, Singapore's

27 R.Irvine, 16-17.

28 Ibid., 16-17,27-28. In an interview, a Thai academic noted that Thailand had learned to distrust SEATO during the 1960s. At that time, SEATO failed to act when Thailand felt threatened by the support of external powers for Communist insurgents in Laos. Thailand threatened to leave SEATO unless the United States agreed to defend Thailand in the event that SEATO could or would not act. The US eventually agreed to this condition. Dr. Surachai Sirikrai, Bangkok, Thailand, January 20, 1995.
leaders remained highly conscious of their status as an ethnic Chinese minority surrounded by potentially-hostile Malays; they were uneasy about proposals that would, essentially, leave their security in the hands of their neighbours.\textsuperscript{29}

Malaysia and Thailand's opposition to the Indonesian position was more muted. Jorgenson-Dahl suggests that, in part, this restraint was tactical; as long as the Philippines and Singapore argued with Indonesia, there was no need for the other two states to become deeply embroiled in the disagreement. Other reasons, however, were also relevant. Malaysian-Indonesian relations had improved markedly during 1966, and were reinforced through a series of security, social and economic agreements. Leading Malaysian statesmen were largely responsible for these improvements. They developed strong personal relationships with Indonesian leaders. As a result, only the Malaysian Prime Minister, Tunku Abdul Rahman, was particularly suspicious of Indonesia's motives. Malaysia's objections to the SEAARC originated with the Tunku. Once he was placated by Foreign Minister Thanat Khonam of Thailand, Malaysia's position on the SEAARC became much more accommodating.\textsuperscript{30}

Thailand's position was more complex. As the only Southeast Asian state never colonized, it was less inclined to see threats to its sovereignty lurking under every initiative. Moreover, Thailand had not been an object of Konfrontasi, so was less suspicious of Indonesia than some other states. The Thai Foreign Minister, Thanat

\textsuperscript{29} Jorgenson-Dahl, 40-41.

\textsuperscript{30} Ibid., 41-42.
Khonam, was deeply committed to regional cooperation, and he was aware of the need to bring Indonesia into a regional arrangement. Thus, Thailand was prepared to play a conciliatory role during the negotiations and downplay its own concerns.31

Thus, to differing degrees, all of the other ASEAN states disagreed with the Indonesian position on the role of external powers in Southeast Asia, at least in the short term. However, they all eventually agreed to support the modified ASEAN Declaration because of the need to draw Indonesia into a regional bloc. Leifer suggests that the ASEAN states agreed to the statement on the temporary nature of foreign bases precisely because there was no possibility of this statement becoming reality. As a statement of principle, it was a harmless gesture to make if it placated Indonesia. However, there was no intention on the part of the other ASEAN states to actively pursue policies that would result in the compromise of their own security. Moreover, the other ASEAN states, notably Singapore, believed in the need to engage external actors in the region in order to prevent Indonesian domination.32

Despite the inability to agree on the appropriate regional role of external powers, the ASEAN states did share a strong sense of common external threat in the form of conflict in Indochina and the awareness of a "Communist-threat" to the non-Communist countries of the region. This sense of external threat was also

31 Ibid., 42-43.
32 Leifer, 5-6.
fundamentally important to causing the ASEAN states to put aside their differences and cooperate, even if only in a declaratory form.

All the countries of ASEAN had different reasons for wanting an effective regional organization. Indonesia desired to repair its relations in the region, but it also saw ASEAN as an opportunity to both exercise regional leadership and reduce the ability of external powers to influence events in Southeast Asia. Malaysia, Singapore and the Philippines supported ASEAN as a way in which to constrain Indonesia while providing Jakarta with a channel for its aspirations to regional pre-eminence. However, these states had other interests in the organization. The pullout of the British military had important security implications for Malaysia and Singapore. Besides their mutual concern with Indonesia, Malaysia and Singapore were deeply suspicious of each other. To Singapore, belonging to ASEAN symbolized that it was accepted and tolerated by its neighbours as an equal state in Southeast Asia, as opposed to an ethnic-Chinese enclave. For Malaysia and the Philippines, ASEAN was an opportunity to enhance their national prestige. Manila also hoped that ASEAN would strengthen Filipinos' Asian identity and trading links, thereby counter-balancing the Philippines' relationship with the United States. Thailand had similar goals. Ideally, it hoped that ASEAN would become the basis for the "collective political defense" of the region, forming an organization that could supplement and perhaps eventually replace
its own security relationship with the Americans.\textsuperscript{33}

Ostensibly, ASEAN was not a security-oriented structure. However, regional political and security considerations were of primary importance to the ASEAN states from the outset. The Bangkok Declaration broadly states the main purposes of ASEAN as being: "to accelerate economic growth, social progress, and cultural development in the region", "to promote active collaboration and mutual assistance...in the economic, social, cultural, scientific, and administrative fields", and "to promote regional peace and stability".\textsuperscript{34}

Despite this last stated objective, ASEAN politicians made it clear from the outset that the organization would not deal directly with security matters or even political controversies.\textsuperscript{35} However, the refusal to talk about security matters is not an indication of the significance of these matters to ASEAN. ASEAN was not constructed as a specifically anti-communist organization; nonetheless, it was a grouping of anti-communist states in a volatile region. The common political outlook of those states was a major factor in bringing them together. ASEAN refused to present itself as a security bloc precisely because it wished to avoid the polarizing and antagonizing effects of such a position on the other states of the region. Forming a military alliance, after all, clearly implied antagonism towards some identifiable threat. In

\begin{itemize}
  \item \textsuperscript{33} Huxley in Broinowski, 84.
  \item \textsuperscript{34} Quoted in Palmer, 65.
  \item \textsuperscript{35} Ibid., 65.
\end{itemize}
addition, there was not enough consensus between the ASEAN states on security matters to support such a bloc, distrust between the ASEAN states remained a significant factor, and the ASEAN states simply lacked the military power needed to form a credible bloc. \textsuperscript{36} Nonetheless, the perception of common external threat played an important role in causing ASEAN's creation. This factor became even more important as the organization developed.

\textit{ASEAN's Organizational Structure}

ASEAN was created with a fairly loose institutional structure. The Annual Ministerial Meeting (AMM) of the ASEAN foreign ministers was the organization's main decision-making body. The AMM was supported by the ASEAN Standing Committee (ASM), which handled the daily affairs of the organization. The ASM rotated annually between members and was chaired by the foreign minister of the host country, and comprised of the ambassadors of the respective ASEAN states in the host country. ASEAN National Secretariats were created as part of the Foreign Ministries of the ASEAN states. The Directors-General of the Secretariats met regularly to compile an Annual Report for submission to the AMM. During its formative period, the ASEAN structure produced hundreds of recommendations, but few were actually implemented, and no one group had a true

\textsuperscript{36} When ASEAN was first taking shape, there are indications that Indonesia suggested the organization might eventually form the basis of a regional military bloc. However, even if Indonesia meant these comments to be taken seriously, the ASEAN states soon arrived at the consensus that they should not emphasize military cooperation as one of the organization's functions. See D.Irvine, pp.17-18. Moreover, at the time, Indonesia was also concerned about maintaining its non-aligned status and image. See: Leifer, 5.
overview of the organization's activities. After the Bali Summit in 1976, ASEAN was reorganized in a way that reflected its new concerns and commitments. The restructured ASEAN was characterized by the following traits:

1) highly infrequent Heads of Government meetings. Previous to 1997, the last summit was held in Singapore in 1992, and was only the fourth in 24 years.

2) The AMM was maintained and remained the de facto governing body of ASEAN. After 1976, Economic Ministers Meetings took place. These eventually became the highest decision-making body for issues of economic cooperation. Finally, annual ASEAN-Post-Ministerial Conferences (ASEAN-PMC) with the ASEAN dialogue partners were institutionalized.

3) The ASEAN Standing Committee and its associated responsibilities and relationships with the ASEAN National Secretariats remained intact.

4) A group of Senior foreign ministry officials met regularly as part of the Senior Officials Meeting (SOM). The SOM had no formal standing in ASEAN's structure, but was very important. It held regular intra-ASEAN political consultations and serviced the AMM. A Senior Economic Officials Meeting (SEOM) was later established by the AEM to serve a similar function on economic matters.

5) A weak central ASEAN Secretariat with limited functions and a coordinating role was established after 1976. The Secretariat was underfunded and understaffed, and the Secretary General of the ASEAN Secretariat was accorded a very low status.

6) Finally, a number of economic and functional committees were established to replace the existing committees. Each committee was supported by technical secretariats and numerous lesser groups. There were five economic committees, answerable to the ASEAN Economic

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37 R. Irvine, 52-55.

38 The Bali Summit is examined in greater detail below.

39 The ASEAN-PMC later formed the basis of the ASEAN Regional Forum (ARF). The ARF will be discussed in considerably more detail in Chapter 7.
Ministers, and three non-economic functional committees.\textsuperscript{40}

These official and unofficial structures formed the basic components of ASEAN, until the organization was reorganized again in 1992.\textsuperscript{41} The bottom-line result of the restructuring begun after the Bali Conference is that ASEAN evolved to encompass more regional economic activity, but still remained very much an instrument of its member states. The ASEAN Secretariat was unable to gain a significant role in policy-making or any other function that might push the organization towards greater integration.

\textit{Intra-ASEAN Security Arrangements}

For the reasons described above, ASEAN has consistently rejected the idea of forming a military pact. Nonetheless, a range of security-related activities have evolved between the member states over the course of the organization's history. This section will briefly review these arrangements during the Cold War period. These initiatives did not occur under the official auspices of ASEAN, but they have become an important part of ASEAN's identity as a regional organization.\textsuperscript{42}

Between 1967-1990, the ASEAN states developed a series of

\textsuperscript{40} This assessment of ASEAN's institutional redesign comes from Chin Kin Wah, "ASEAN: consolidation and institutional change," \textit{The Pacific Review} 8, No.3 (1995), 431-432.

\textsuperscript{41} For a full description of some of the political maneuvering behind the new ASEAN structures, particularly the role of the ASEAN Secretariat and the emergence of the Economic Ministers Meetings, see R. Irvine, 55-61.

\textsuperscript{42} Amitav Acharya, \textit{A Survey of Military Cooperation Among the ASEAN States: Bilateralism or Alliance? Occasional Paper No.14} (Toronto: Centre for International and Strategic Studies, May 1990), 2.
defensive relationships including border region cooperation, intelligence-sharing, joint military exercises, military educational exchanges, senior level official visits, use of combat training facilities, and limited cooperation in defense industries. These relationships were mostly bilateral in nature, though some multilateral exercises did take place.\textsuperscript{43}

Border security agreements between the ASEAN states, in some cases, pre-dated ASEAN. The oldest bilateral border security agreement, between Thailand and Malaysia, was governed by a series of agreements dating back to 1949.\textsuperscript{44} Indonesia-Malaysia border cooperation was based on the Bangkok Agreement of May 1966 (not to be confused with ASEAN's Bangkok Declaration), which officially ended Konfrontasi. In 1972, the two countries signed a Border Security Agreement, which was updated and expanded in 1984. The principal targets of these agreements were communist insurgency, though other illegal activities are also included. In May 1961, Indonesia and the Philippines signed a Border Crossing Agreement, followed by a Joint Border Patrol Agreement in 1975. Malaysia and the Philippines also signed a border agreement in 1977, but it made little progress due to the Sabah dispute.\textsuperscript{45}


\textsuperscript{44} The agreement currently in force was signed in 1977. Acharya, \textit{A Survey}, 11.

\textsuperscript{45} Acharya, "Defence," 2-3; Acharya, \textit{A Survey}, 10-18. Acharya notes that, in contrast to the loose institutional structure of ASEAN, these border agreements are "remarkably institutionalized." Acharya, \textit{A Survey}, 12.
Bilateral intelligence-sharing arrangements developed between the ASEAN states throughout the 1960s and 1970s. These involved states other than those sharing border agreements, and eventually included multilateral meetings between ASEAN's intelligence organizations. Historically, meetings between intelligence agencies proved to be crucial first steps towards more elaborate forms of intra-ASEAN cooperation.

The range of intra-ASEAN bilateral military exercises expanded considerably during the Cold War. Most of these exercises occurred between naval and air forces, though army land exercises were initiated in the late 1980s. Indonesia was the "lynch-pin" of these defence relationships, participating in 38 of 45 bilateral military exercises between 1972 and 1980. Bilateral military exercises during the Cold War were given a powerful impetus by the perceived Vietnamese threat in Indochina. They also served a


47 Intelligence-sharing developed out of the Thailand-Malaysia and Malaysia-Indonesia border agreements. Indonesia and Singapore developed intelligence exchanges soon after the end of Konfrontasi. After the Bali Summit in 1976, a number of intra-ASEAN intelligence exchanges were initiated between: Thailand-Philippines; Singapore-Philippines; Thailand-Indonesia. Acharya, A Survey, 18-19.

48 Three intra-ASEAN bilateral military exercises were conducted in 1972; by 1986, the number of exercises grew to fifteen. Acharya, A Survey, 20.

49 Initially, land exercises were rejected out of the fear that they might lead to "territorial familiarization" on the part of the other ASEAN states, which might be useful in the event of later attack. The fact that they were later allowed is a strong measure of how intra-ASEAN tensions declined. Acharya, "Defence," 6; Acharya, A Survey, 21.

50 Acharya, A Survey, 21-22.
crucial confidence-building function between the ASEAN states.

Another area of intra-ASEAN security cooperation developed during the Cold War was access to training facilities. These arrangements were especially helpful to Singapore, which maintained training camps in Thailand and Brunei and a detachment of fighter jets at Clark Air Force Base in the Philippines. Singapore and Indonesia also jointly developed an air weapons testing range and Indonesia made one of its army bases available to all other ASEAN countries. Thailand used air force training facilities in the Philippines, and offered army facilities to Brunei. The ASEAN states also engaged in officer exchange and education programs.51

These examples of intra-ASEAN security cooperation during the Cold War are definite improvements over the pre-ASEAN period. Moreover, the level of cooperation seemed to increase as the ASEAN states became more comfortable with each other. Even so, these accomplishments must be put in perspective. Intra-ASEAN tensions remained as significant factors during this period. The fact that intra-ASEAN relations improved must be tempered by the awareness of the low level from which they started. Intra-ASEAN military cooperation was given a powerful impetus by the perceived threat from Vietnam; whether or not those ties can survive the resolution of that threat remains, for now, an open question. According to Bilveer Singh, the actual level of defence cooperation within ASEAN is "low...especially in sensitive areas such as land forces

cooperation or the exchange of high level intelligence."\textsuperscript{52} The progress that has been made, he argues, is in "non-sensitive areas."\textsuperscript{53} This may well be true. For now, a more complete assessment of the effect of intra-ASEAN security cooperation on ASEAN's overall development will have to wait until I analyze ASEAN's development in the post-Cold War period. For now, I will return to the examination of ASEAN's political evolution.

The ZOPFAN Proposal

ASEAN ran into problems almost immediately after its formation. The Malaysia-Philippine dispute over Sabah, which had helped destroy the ASA, became an issue once again. The "Corregidor Affair" erupted in March 1968. It involved allegations that the Philippines was using the island of Corregidor as a base to train Muslim insurgents for infiltration into Sabah.\textsuperscript{54} Diplomatic attempts to resolve the territorial dispute proved fruitless. In September 1968, the Philippine Congress passed a resolution emphasizing Philippine claims to Sabah. As a direct result of this conflict, ASEAN meetings were cancelled until May 1969, and Malaysia and the Philippines suspended diplomatic contacts. In December 1969, Malaysia and the Philippines resumed normal

\begin{flushleft}

\textsuperscript{53} Ibid.

\textsuperscript{54} The "Corregidor Affair" involved the killing, apparently by their officers, of between twelve to sixty recruits being trained at a secret army camp on the island of Corregidor, in Manila Bay. The recruits were Muslim and some had been told that they their assignment might be the infiltration of Sabah. See: Jorgenson-Dahl, 197-198; Garner Noble, 165-171.
\end{flushleft}
relations; the Malaysian Prime Minister declared that this action showed "the great value" Malaysia placed upon ASEAN.\textsuperscript{55} However, this decision also reflected the dramatic changes taking place in the larger regional environment, and the corresponding need for the ASEAN states to remain united.

Between 1967 and 1971, a number of international developments radically altered the regional security environment and profoundly affected the development of ASEAN. In 1968, Britain announced its unilateral decision to accelerate its withdrawal from Southeast Asia, forcing Singapore and Malaysia to rethink their security strategies. In 1969, United States' President Richard Nixon issued the Nixon, or Guam, Doctrine, limiting American involvement in Southeast Asia. The regional states perceived this new policy as an indication of the United States' unwillingness to honour its security commitments. Also in 1969, the Soviet Union expressed an interest in the region by proposing an Asian collective security system. Other factors - such as the re-emergence of China after the Cultural Revolution, the intensifying Sino-Soviet conflict, the increasing importance of Japanese economic power, and the spread of the Vietnamese War to Laos and Cambodia - underlined the fact that Southeast Asia was undergoing rapid changes that ASEAN was completely unable to affect.\textsuperscript{56}

Malaysia responded to the regional upheaval by proposing the

\textsuperscript{55} D. Irvine, 20.

\textsuperscript{56} Heiner Hanggi, \textit{ASEAN and the ZOPPAN Concept} (Singapore: Institute of Southeast Asian Studies, 1991), 12; Leifer, 52-56.
"neutralization" of Southeast Asia. Malaysian politicians had debated this idea for two years, before making it an official state policy in 1970. Neutralization involved obtaining guarantees from the great powers that they would not pursue their disputes within Southeast Asia. A combination of factors caused Malaysia to introduce its proposal. It had recently shifted its foreign policy position to one of non-alignment, and wished to pursue that goal. The changing regional environment - the detente between the United States and the Soviet Union, the easing of tensions between the U.S. and China - convinced Malaysia that the time was right for its proposal. Neutralization was also a way of accommodating emerging Chinese interests in Southeast Asia. Domestic political factors played an important role in Malaysia's advocacy of neutralization.

In May 1969, Malaysia had contended with racial riots between ethnic Malays and Chinese. Domestic reconciliation was a pressing political need. By reaching out to communist China, the Malaysian government hoped to alleviate tensions with its own Chinese minority and undermine the ethnic Chinese-dominated Malayan Communist Party (MCP) at the same time. Malaysia believed that neutralization would help to create a peaceful environment that would allow it to focus on its own economic development and avoid having to take on an onerous defense burden.57

57 This account of ZOPFAN and the circumstances surrounding its creation is based primarily on Leifer, 52-60; Muthiah Alagappa, "Regional Arrangements and International Security in Southeast Asia: Going Beyond ZOPFAN," Contemporary Southeast Asia 12 (March 1991), 272-275; Hanggi, 12-20; D. Irvine, 23-29; Tim Huxley, Insecurity in the ASEAN Region (London: Royal United Services Institute for Defence Studies, 1993), 16-18.
The Malaysian neutralization proposal was first formally articulated in September, 1970 at the Non-aligned Conference in Lusaka, Zambia. It had two distinct components:

One was the collective neutralization of Southeast Asia by means of guarantees by the United States, the Soviet Union and China. These powers were required to accept and respect Southeast Asia as an area of neutrality, exclude the region from competition among themselves, and devise supervisory means to guarantee its neutrality. The second element required countries in the region to fully commit themselves to the principles of non-interference and non-aggression in the conduct of their inter-state relations, follow a policy of non-involvement in the rivalries among the big powers, and seek the exclusion of these rivalries from Southeast Asia.  

The reaction to the Malaysian proposal from the great powers was mostly negative. The United States had no desire to disengage from Southeast Asia; the Soviet Union was seeking a way to play a more active regional role. Only China agreed with the proposal, largely because its geographical proximity to Southeast Asia meant that it would not be unduly affected by neutralization.

The other ASEAN states were also opposed to the Malaysian proposal. Indonesia could not accept the neutralization of Southeast Asia through the guarantees of external powers. Indonesia wanted to exclude the great powers from Southeast Asia, not legitimate their intervention in the affairs of the region. The Indonesian military establishment opposed neutralization because it implied a corporate accommodation with China, which they saw as the main external threat to the region. Indonesia also expressed scepticism about the ability of the great powers to cooperate as

58 Alagappa, 272.
guarantors of regional neutrality.\textsuperscript{59}

The other ASEAN states also opposed neutralization, due to their reliance on foreign powers to guarantee their security. Nonetheless, ASEAN agreed to consider Malaysia's idea, especially in light of two important events in the autumn of 1971: the announcement that President Nixon would visit Beijing, which came as a complete surprise to the non-communist regional states; and China's assumption of its seat at the United Nations in October, which forced the ASEAN states to decide whether or not to normalize their relations with the communist giant.

A special meeting of the Foreign Ministers of the ASEAN countries was held, outside of the ASEAN framework, on November 26-27, 1971 in Kuala Lumpur. The compromise on neutralization that came out of the meeting "was an expression of creative ambiguity which did not conspicuously appear to reject Malaysia's initiative."\textsuperscript{60} In fact, however, it endorsed the Indonesian vision of regional order. The meeting produced the Declaration on a Zone of Peace, Freedom and Neutrality (ZOPFAN) in Southeast Asia. The operative paragraphs of the ZOPFAN Declaration are:

1. that Indonesia, Malaysia, the Philippines, Singapore and Thailand are determined to exert initially necessary

\textsuperscript{59} Leifer, 57. According to Alagappa, Indonesia was "cool but not opposed" to Malaysia's proposal. It saw the concept of neutralization as generally in keeping with its own policies of non-alignment. To that extent, Indonesia interpreted the Malaysian proposal as an attempt to regulate the activities of external powers and give shape to the Declaration's designation of all foreign military bases in the region as "temporary". Nonetheless, Indonesia's overall opposition to the proposal was far stronger than any mitigating considerations. Alagappa, 272-273.

\textsuperscript{60} Leifer, 58.
efforts to secure the recognition of, and respect for, South East Asia as a Zone of Peace, Freedom and Neutrality, free from any form or manner of interference by outside Powers;

2. that South East Asian countries should make concerted efforts to broaden the areas of cooperation which would contribute to their strength, solidarity and closer relationship.

Neutralization is mentioned in the preamble as a "a desirable objective" and that the ASEAN states should "explore ways and means of bringing about its realization." However, it is only one of many options that could fulfil the Declaration's objectives. Moreover, though the word "neutralization" is used in the preamble, the operative concept is really that of a political "neutrality". There is no mention of the great powers having any effective role to play in the region, though the preamble strongly implies that they should respect the sovereignty and independence of the ASEAN states.

The ZOPFAN Declaration is, therefore, a political compromise cobbled together to accommodate ASEAN states with strongly divergent strategic perspectives. According to Leifer: "(t)o the extent that a consensus was worked out in Kuala Lumpur, it was based on a refusal to lend corporate endorsement to a Malaysian-inspired regional accommodation to China." 62 The Declaration did not define a common ASEAN vision on the shape of regional security, except in the most general terms. The ZOPFAN Declaration was a broad statement of intent, which imposed no legal obligations on


62 Leifer, 59.
its signatories. The Zone of Peace, Freedom and Neutrality was meant, at best, to be a long-term goal which would not undermine the existing policies and security arrangements of the ASEAN states.\(^3\)

Following the Kuala Lumpur meeting, the ASEAN states created a Senior Officials Committee (SOC) to draw up a ZOPFAN blueprint, meant to develop a common understanding of the interpretation of ZOPFAN. The ASEAN states understood the blueprint to have no practical effect or impose any obligations on them so long as ZOPFAN was unrealized. Alagappa summarizes the blueprint:

...ZOPFAN may be deemed to exist when the regional states are free to pursue national development and regional cooperation without interference from outside powers. Peace is defined as a condition in which the region is free of ideological, political, economic, armed and other forms of conflicts. Freedom is defined as the right of states to resolve their domestic problems in whatever manner they deem appropriate to and to assume the primary responsibility for security and stability in the region. Neutrality requires the regional states to maintain impartiality in their relations with the major powers and refrain from involvement, directly or indirectly, in ideological, political, economic, armed or other forms of conflict.\(^4\)

The blueprint is a stronger reiteration of a few basic principles: demands from the ASEAN states for the freedom to exercise

\(^3\) Another agreement came out of the Kuala Lumpur meeting that is often overlooked. This is the "agreement on consultations for a common approach to political issues affecting Southeast Asia." This agreement was in response to Indonesia's annoyance at Malaysia for not consulting its ASEAN partners before undertaking an initiative with regional implications. Indonesia was also concerned about Malaysia's advanced rapprochement with communist China. This agreement institutionalized the habit of consulting with ASEAN that has since become one of the most important elements of ASEAN's unity and effectiveness. Hanggi, 17; Leifer, 58-59; Huxley, Insecurity, 16.

\(^4\) Alagappa, 274.
unconditional sovereignty and to regulate the affairs of their own region. However, the conditions under which ZOPFAN can be achieved are ideal, and may represent a lack of commitment to ZOPFAN on the part of most of the ASEAN states.

ZOPFAN stands as the "primary declaratory security policy" of ASEAN.\(^{65}\) Nonetheless, it is a highly ambiguous concept. The member states of ASEAN had "serious reservations" about ZOPFAN.\(^{66}\) For Thailand and the Philippines, their existing relationship with the United States was a far stronger guarantee of security than being part of a neutralized area. Singapore preferred to trust its security to a balance of great power forces in the region. Moreover, all the different ASEAN states seemed to have different interpretations of what ZOPFAN meant and implied.\(^{67}\) ASEAN has made very little movement toward implementing the policy.\(^{68}\) Indeed, Tim Huxley argues that ZOPFAN is a statement of principles that were never meant to be taken seriously, and represents what the ASEAN states understand to be "a vague long-term aspiration".\(^{69}\)

ZOPFAN stands out as ASEAN's most prominent and important diplomatic accomplishment before 1975. Thus, it is not surprising that analysts assessing ASEAN's performance at that time felt that

\(^{65}\) Rolls, 325.

\(^{66}\) Frost, 6.

\(^{67}\) Antolik, 114.

\(^{68}\) Frost, 6. The debate surrounding the development of ZOPFAN in the post-Cold War period will be discussed in Chapter Five.

\(^{69}\) Huxley, 16.
the organization had accomplished very little and seemed destined
to accomplish not much more.\textsuperscript{70} In retrospect, however, it appears
that ASEAN may have been far more successful during this formative
period than is first apparent. Antolik argues that during this
period of apparent inactivity, the ASEAN states were actually
recovering from the trauma of Konfrontasi.\textsuperscript{71} According to Frost:

\begin{quote}
While its formal co-operative projects were limited, and
its members were divided on the major question of
regional security, ASEAN had enabled a pattern of regular
contacts to develop among regional leaders which was
reducing the likelihood of inter-state conflict and which
later provided a base for a more ambitious programme of
consultation and co-operation.\textsuperscript{72}
\end{quote}

This "pattern of regular contacts" is frequently cited by many
observers of ASEAN as the core of what the organization is about.\textsuperscript{73}
If ASEAN is to be evaluated, they argue, it must be assessed in
terms of the intangible but very real social and political
connections it has made possible. This argument is at the heart of
the question of ASEAN's effectiveness.

\textbf{The Bali Conference, 1976: Declarations and Treaties}

The reduction of American power in Southeast Asia and the
related collapse of anti-Communist regimes in South Vietnam and
Cambodia in 1975 provided a powerful impetus to ASEAN's political
development. The ASEAN leaders viewed the ascendancy of Communist

\textsuperscript{70} Frost, 7.

\textsuperscript{71} Antolik, 159.

\textsuperscript{72} Frost, 7.

\textsuperscript{73} The strongest statement of this idea is by Michael Antolik, who refers
to ASEAN as a "political process". Antolik, 9-10.
Vietnam in Indochina with deep suspicion. They feared that the Vietnamese government would provide arms to indigenous Communist movements in the ASEAN states, particularly Thailand, the Philippines and Malaysia.74

In the wake of this regional upheaval, ASEAN truly started to come together as an international organization. The emphasis of the organization shifted to the promotion of economic development as the surest way of combatting the internal appeal of Communism in the ASEAN countries. The Indonesian government wanted to move towards an explicit military alliance as part of the redefinition of ASEAN, but this proposal was rejected by the other ASEAN states.75

The Bali Conference convened in February of 1976. It was the first meeting of the ASEAN heads of state, and it produced two fundamentally important agreements: the Declaration of ASEAN Concord and the Treaty of Amity and Co-operation in Southeast Asia (TAC). These agreements represent the two dimensions to ASEAN's thinking on security, and clearly indicate the direction in which the leaders expected the organization to evolve.76

The Declaration of ASEAN Concord primarily addressed the economic side of the security equation. The Declaration mentioned areas of social and cultural co-operation, but the greatest effort was spent in defining the areas of economic cooperation. Four types

74 Frost, 7-8.
75 Frost, 8.
76 Ibid., Rolls,325.
of economic co-operation were specified: co-operation on basic commodities, such as food and energy; co-operation in the creation of large-scale ASEAN industrial projects; co-operation in intra-regional trade liberalization; and joint approaches to world economic problems. The Declaration also encourages military co-operation between its members, albeit on a non-ASEAN basis. ASEAN economic ministers had their first meeting in 1975, and in the wake of the Bali Conference, began to meet annually to try to facilitate the goals of the Declaration.

The Treaty of Amity and Co-operation (TAC) dealt with the second component of security in the region. The TAC's goals were to "promote perpetual peace, everlasting unity and co-operation among the people which would contribute to their strength, solidarity and closer relationship". The TAC explicitly allowed for the accession of non-ASEAN Southeast Asian states. The Treaty obliged its signatories to settle disputes peacefully through consultation. It aimed to promote co-operation in many different areas, with the objective of furthering "economic development, peace and stability in Southeast Asia." The TAC was ASEAN's code of conduct for international relations in Southeast Asia; it rapidly became the embodiment of the most important norms and values governing the

77 Frost, 9.
78 Rolls, 325-326.
79 D. Irvine, 42-44.
80 Frost, 9.
81 Frost, 9.
international behaviour of the ASEAN states. It was also, in essence, a non-aggression pact between the ASEAN states. 82

In the period immediately following the Bali Conference, the ASEAN states made an effort to implement the economic provisions of the Declaration. They attempted to increase economic liberalization within the region and to further economic relations with ASEAN's major trading partners. For a variety of reasons, however, ASEAN was not successful in creating significant economic co-operation between its members. The provisions of the Declaration of ASEAN Concord that have proven to be the most enduring and influential are those promoting social and political co-operation within ASEAN. 83

ASEAN As An Economic Organization

From the Bangkok Declaration to the Bali Conference and beyond, intra-ASEAN economic cooperation has been an important part of ASEAN's declaratory vision of what it wanted to become. During the Cold War era, however, ASEAN enjoyed only limited success as an economic institution. This section will review and discuss ASEAN's efforts at economic development during this period. The central argument is that the ASEAN states lacked both the economic incentives and the political will to make ASEAN a successful economic regime. The effort to integrate the ASEAN economies was not a high priority to states whose economic success was dependent upon the larger international marketplace.

82 D. Irvine, 47-50.
83 Frost, 10-14.
During the Cold War era, the ASEAN economies experienced phenomenal development.\(^\text{84}\) This impressive economic showing greatly enhanced ASEAN's political standing in the international community. The ASEAN states' economic accomplishments, however, were the result of individual achievements combined with fortuitous events in the larger international economy. Their economic success had no direct connection to ASEAN, the organization.\(^\text{85}\)

Richard Stubbs points out that understanding the economic success of the ASEAN states requires first considering the geopolitical factors and regional security context of Southeast Asia since the end of World War II.\(^\text{86}\) Singapore and Malaysia (at that time, Malaya) in particular, benefitted enormously from the economic effects of the Korean War. The economic boom created by that conflict, allowed Singapore and Malaya to develop extensive social and economic infrastructures and effective civil administrations. These factors established the basis for the two colonies' continuing economic success in later times. The other

\(^{84}\) In 1987, Singapore had a per capita income of US $7325. This was much higher than Taiwan ($4573) or South Korea ($2826). In the same year, Malaysia and Thailand were classified as near NICs, while the Philippines and Indonesia remained relatively poor countries. Brunei, which joined ASEAN in 1984, had the highest per capita income in ASEAN, though solely as a result of its oil wealth. See Richard Stubbs, "Geopolitics and the political economy of Southeast Asia," *International Journal* 44 (Summer 1989), 518.


\(^{86}\) The following discussion is based on Stubbs, "Geopolitics," 517-540.
future ASEAN states were only minimally affected by the Korean War.87

The Vietnam War was extremely beneficial to the development of Thailand and Singapore. Thailand began to receive American economic support as early as the mid-1950s, when the United States saw it as a bulwark against communism. Thailand used this support to develop an extensive transportation and communications infrastructure, and an efficient, modern civil service. The actual American-Vietnam War, from 1964-1974, dramatically increased the American economic and military commitment to Thailand. Thailand also prospered as a source of goods for South Vietnam.

Singapore greatly increased its exports to Vietnam during the war period. Much of this trade was in petroleum products, and established Singapore as the petroleum-processing centre of the region. Singapore increased its exports to other Asian countries, but it was most significantly affected by its ability to pursue its export-oriented development strategy towards the war-fuelled American economy. Singaporean exports to the U.S. jumped from $52 million in 1966 to $858 million in 1974. The revenue generated by this trade was used by the government to fully develop Singapore's economic and social infrastructures.88

87 For details of the effects of the Korean War on the economies of Singapore and Malaya, see Stubbs, 520-526.

88 The Philippines also benefitted from the American-Vietnam War, but in a much more temporary way. The Philippines, for whatever reasons, was unable to turn the U.S. war expenditure into long-term infrastructural gains, as in Thailand. Thus, the Philippines gained relatively little from the Vietnam War. Stubbs, 530.
The current ASEAN economic situation is largely attributable to Japanese investment in Southeast Asia starting in the early 1970s. At that time, the Japanese government stopped restricting overseas investment and the export of capital. Japan needed cheaper labour and land and weaker environmental standards to compete more effectively with rising Asian NICs. It needed better access to raw materials and to the economies of the ASEAN states closed by import-substitution policies. Pollution in Japan and the upward revaluation of the yen by 15% in December 1971 were also contributing factors.

Japanese investment began to flow at just the right time for ASEAN. The economic stimulus of the Vietnam War was wearing off. Singapore and Malaysia were beginning to implement export-oriented industrialization strategies; Thailand was planning to follow their lead. Even the Philippines and Indonesia were considering opening up their economies. Japanese companies entered joint ventures with local Southeast Asian businesses.89

Most Japanese investment was in Indonesia, in resource-extraction projects. Singapore, Malaysia and, to a lesser extent, Thailand, attracted Japanese investors in manufacturing industries. This upscale investment was largely attributable to the extensive infrastructures built in these countries in previous eras. On a per capita basis, Japanese investment had the greatest impact on the Singaporean economy. Moreover, under Japanese guidance, the ASEAN countries became part of an economic arrangement wherein Japanese

89 Stubbs, 531-533; Castro, 72-73.
capital utilized the raw materials and services of ASEAN to create goods which were then exported to the United States. This arrangement was the foundation of the economic success of the prosperous ASEAN states.\textsuperscript{90}

In the mid-1970s, Japan also began providing considerable aid to the ASEAN states, particularly Thailand, the "frontline" state in ASEAN's confrontation with Vietnam over Cambodia.\textsuperscript{91} Japan's focus on aid was partly a response to increasing anti-Japanese sentiment in the region, partly an acknowledgement of Southeast Asia's increasing strategic and economic importance to Japan, and partly a response to American requests to help the anti-communist regional forces through economic assistance.\textsuperscript{92} Thailand and Malaysia were well-equipped to effectively absorb this aid, due to their developed infrastructures. The Philippines and Indonesia, for the opposite reasons, did not benefit from Japanese aid to as great a degree.\textsuperscript{93} Nonetheless, largely as a result of its increase in official development assistance (ODA), during the 1980s Japan became the dominant economic actor in Southeast Asia.\textsuperscript{94}

In 1980, Japanese aid to ASEAN was U.S.$ 703 million; by 1989, it was U.S.$ 2132 million. In the last half of the 1980s, Japan

\begin{itemize}
\item \textsuperscript{90} Stubbs, 533-534.
\item \textsuperscript{91} This situation is fully described and analyzed in Chapter Four.
\item \textsuperscript{92} Richard Stubbs, "Reluctant leader, expectant followers: Japan and Southeast Asia," \textit{International Journal} 46 (Autumn 1991), 657-658.
\item \textsuperscript{93} Stubbs,"Geopolitics," 536-537.
\item \textsuperscript{94} Stubbs, "Reluctant," 657.
\end{itemize}
provided ASEAN with 65% of its total bilateral aid. The Plaza Accord of 1985 had a profound effect on Japanese foreign direct investment (FDI) in ASEAN. The Plaza Accord was the agreement between the world's major economic powers to depreciate the value of the American dollar and appreciate the Japanese yen. The increased value of the yen, combined with the need to relocate industry in order to counter possible Western protectionist measures against Japanese goods, meant that Japanese business invested in the Asian NICs. By 1986, however, Japanese foreign investment moved on to ASEAN, where the local currencies did not appreciate against the U.S. dollar. By 1989, ASEAN was the major destination for Japanese foreign investment in the region.

Increased Japanese investment significantly altered the nature of the trade between ASEAN and Japan. Japanese investors brought in enormous amounts of capital goods to establish industries. Japanese FDI led to an enormous increase in the sale of ASEAN manufactured goods to Japan. In 1986, ASEAN exported U.S. $2.1 billion worth of manufactured goods to Japan. By 1989, this jumped to $6.65 billion, 27% of all ASEAN exports. These developments indicate the extent to which ASEAN came to be connected to the Japanese economy.

95 Stubbs, "Reluctant," 658.

96 Stubbs, "Reluctant," 659-660. Stubbs cites the following figures: Japanese foreign direct investment (FDI) in Thailand went from $46 million in 1985 to $1.28 billion in 1989; in Singapore, it went from $494 million in 1987 to $1.9 billion in 1989; in Malaysia, the figures are from $163 million in 1987 to $975 million in 1990.

97 Stubbs, "Reluctant," 660-661. Stubbs goes on to point out that the ASEAN states then proceeded to push Japan into the role of a regional leader on economic issues. While ASEAN was prepared to follow the Japanese lead in some
Stubbs draws a number of important lessons from this analysis of ASEAN's economic evolution. A massive influx of external capital made it possible for Singapore, Malaysia and Thailand to create economic prosperity for themselves. This capital was effectively managed and utilized by these countries to create strong infrastructures. The will to develop this absorptive capacity arose from the countries' security positions. All three states were threatened by internal insurgencies and also, in the case of Thailand, external threat. By contrast, Indonesia had none of the benefits of these other ASEAN states. Indonesia attracted a great deal of investment, but lacked the infrastructure to properly mobilize that investment. The Philippines was in a similar situation.\textsuperscript{98} For my purposes, it is important to note that the existence of ASEAN, the organization, did not affect these economic factors. The ASEAN states' economic success is attributable to a confluence of external and internal forces, but ASEAN played no direct role in creating or managing those forces.

When ASEAN was created in 1967, most of the ASEAN states, with the exception of Singapore, pursued import-substitution policies and protected their economies from external penetration through the use of tariffs and regulatory deterrents. During the late 1960s, however, the Philippines, Thailand and Malaysia shifted their areas, it required that Japan remain constrained by the United State's regional presence. This is an interesting observation, in light of ASEAN's post-Cold War uncertainty about the appropriate regional role for Japan. This is discussed in detail in Chapter Six.

\textsuperscript{98} Stubbs, "Geopolitics," 538-540.
economic focus to export-oriented products, while retaining import-substitution policies in selected areas. Indonesia maintained its focus on import-substitution until the early 1980s. The ASEAN states' change in policy occurred for a number of reasons. First, import substitution had a generally disappointing track record. It failed to generate sustained industrial or employment growth, and import replacement did not spillover into the export market, as its practitioners hoped. Second, the other ASEAN states saw that Singapore and the other emerging Asian NICs were prospering through export-oriented industrialization and, until the mid-1970s, access to an increasingly liberal world trading system. Third, there was a change in the intellectual climate towards a greater emphasis on exports. Despite these changes in focus, however, regulatory and other barriers still existed between the ASEAN states. Export-oriented and import-substitution policies operate in most ASEAN states in a parallel fashion even today, though these states do place greater emphasis on export industries.99

ASEAN tried to facilitate inter-governmental economic cooperation between its member states. A fairly elaborate institutional structure was developed to do this. Eight ASEAN committees dealt directly with economic issues. Five were responsible to the ASEAN economic ministers, while three fell under the auspices of the ASEAN standing committee, which was responsible

99 Most of this discussion is based on: Mohamed Arif and Hal Hill, Export-Oriented Industrialisation: the ASEAN Experience (Sydney:Allen and Unwin, 1985),19; Castro, 72. For a more detailed account of the changes in the individual ASEAN states' industrial policies, see Arif and Hill, 13-25.
to the ASEAN foreign ministers. The ASEAN Secretariat was given the task of coordinating the eight committees, each of which had subcommittees, and working groups operating under it. ASEAN also developed affiliations with non-governmental economic organizations. Numerous regional private business and professional organizations were connected to ASEAN and allowed to use the "ASEAN" logo. One of the most important of these groups was the ASEAN Chamber of Commerce and Industry (ASEAN CCI), which represented the business communities of the member states.

The ASEAN states, with the exception of Singapore, were traditionally producers of natural resources for the first world, and importers of capital goods, manufactures and technology. Japan, the United States and the European Economic Community (EEC) were the ASEAN states' primary economic partners. In 1985, the U.S. and Japan accounted for 45% of ASEAN's exports and 35% of its imports; the EEC accounted for 11% and 14%, respectively.

By

100 One of the factors contributing to ASEAN's early inability to make progress in the economic field was the fact that ASEAN's economic initiatives were directed by the Foreign Ministers of the ASEAN states. Economic ministers rarely took part in ASEAN discussions, had no mandate to deal directly with each other, and so had little knowledge of or interest in decisions reached by ASEAN. Castro, 74-75.

101 Chatterjee, 59-63; Castro, 74,78-80.

102 During the 1970s-80s, ASEAN supplied over 80% of the world's natural rubber and abaca fibre, 70% of its tin, 60% of its palm oil, and 50% of its copra. Some resources, provided by country, are: Indonesia- petroleum oil, natural gas, tin, nickel, copper, manganese, bauxite and coal; Malaysia - oil and gas, tin, iron ore, coal; the Philippines - nickel, lead, silver chromite, gold, copper, manganese, iron ore, bauxite, uranium; Thailand - tin, tungsten, antimony, fluorite, lead, barite, lignite, gypsum and manganese. Castro,71.

103 Chatterjee, 64.
contrast, intra-ASEAN trade stood at between 15% and 20% of exports for most of the 1970s and 1980s. Even this was somewhat misleading; most intra-ASEAN trade was between Singapore, which acted as an international entrepôt, and the other ASEAN states. When Singapore was removed from the trading picture, intra-ASEAN trade declined precipitously, to around 5%.

The ASEAN states were complementary in terms of their natural resources, but their manufactured products competed for the same Western markets. This fact stood in the way of intra-ASEAN economic cooperation.

In 1969, a United Nations study team was commissioned by the United Nations Economic Commission for Asia and the Far East (ECAFE) to study the ASEAN economies. Its activities were sanctioned by ASEAN. Its final report, delivered in June 1972, served as a blueprint for subsequent ASEAN economic initiatives. The ECAFE team argued that the development potential of the ASEAN states was limited by their relatively small internal markets. Overcoming this problem required the implementation of import-substitution policies on a regional, rather than national, basis. ECAFE proposed a kind of economic union that would allow ASEAN industries to take advantage of the economies of scale available at the regional level and also have freer access to the region's resources.

104 Ibid.
105 Ibid.
106 This account of the UN report is based primarily on Castro, 75-77; Marjorie L. Suriyamongkol, Politics of ASEAN Economic Co-operation (Singapore: Oxford University Press, 1988), 56-62; Jorgenson-Dahl, 142-145; John Ravenhill,
Using the UN report as a guide, ASEAN undertook a number of initiatives to introduce intra-ASEAN trade liberalization. In 1977, after years of discussion, ASEAN introduced preferential trading arrangements (PTA), which were meant to extend trade preferences between the member states. However, the kind of products that the ASEAN states agreed to include in the PTA were often obscure, and not important enough to truly affect intra-ASEAN trade. Some of the products included were neither produced or traded in the region. Tariffs were reduced for products produced in ASEAN, but remained formidable enough to stifle significant trade. Moreover, numerous non-tariff barriers remained in place, such as highly complex regulations designed to frustrate foreign access to the ASEAN economies. As a final measure, article 12 of the PTA allowed states to block foreign access if domestic industries faced the prospect of "serious injury" due to foreign competition. By 1984, products included in the PTA made up only 0.04% of Indonesia's economic cooperation in Southeast Asia," *Asian Survey* 35, No.9 (September 1995), 851-853. Castro clearly regards the UN report as a positive approach to intra-ASEAN economic development. Suriyamongkol, however, questions its assumptions and points out that unacceptable political costs - such as an unequal distribution of benefits or industries - may have resulted from the plan's implementation. Her analysis suggests that, for credible reasons, the ASEAN states were not prepared to cooperate at the level suggested by ECAFE. Jorgenson-Dahl is better-disposed towards the report, arguing that, for the first time, it made clear to the ASEAN states the benefits of regionalization. He claims that, if anything, the report's authors were too deferential to the interests of the individual ASEAN states and could have been more ambitious in their recommendations. Even so, "...the economic side of ASEAN would have recorded even less progress without the UN team's efforts." Jorgenson-Dahl, 145.

107 For example, the Philippines listed snowplow equipment and Indonesia included nuclear power plants. Ravenhill says that these sort of actions turned the PTA into a "farce". Ravenhill, 853.

108 Chatterjee, 65-66; Castro, 80-83.
trade with the rest of ASEAN. Of the thousands of items for which Indonesia had granted tariff preferences, only nine were actually imported. The situation was similar in the other ASEAN states, except the free-trade regimes of Singapore and Brunei. By 1990, despite listing almost 16,000 products, the PTA covered less than 1% of intra-ASEAN trade.  

The UN report also suggested that ASEAN create ASEAN Industrial Projects (AIPs). These were large industrial projects that would be jointly owned by the ASEAN states. The products of these projects would enjoy preferential access to the ASEAN economies under the PTA. The ASEAN state that was home to the project would contribute 60% of the equity; the other four ASEAN states would provide the remaining 40%. Five projects were scheduled for implementation, one to each ASEAN member. However, only two of these projects - urea production facilities assigned to Malaysia and Indonesia - were successfully implemented, and both of these had previously been suggested as national initiatives. The projects in Singapore and Thailand were abandoned for different reasons and the Philippine project was scaled down.

The AIPs failed for a number of reasons. They were government-sponsored initiatives in a region where the private sector and

109 Ravenhill, 853.

110 The allocated projects were the following: Indonesia - urea project; Malaysia - urea project; Philippines - copper fabrication project; Singapore - Hepatitis B vaccine project; Thailand - Rock salt-soda ash project. Chatterjee, 68.

111 Ravenhill, 852.
market were expected to lead economic growth. A report commissioned by the ASEAN Secretariat determined that the projects lacked: proper feasibility studies prior to their announcement, adequate technical and financial support, commitment from some member states to implement their designated project, and interest from the private sector.\textsuperscript{112}

Another initiative was the ASEAN Industrial Complementation Scheme, first presented in 1976 and officially approved in 1981. The idea behind this program was to develop industrial projects whose individual components would be constructed in the different ASEAN states. The private sector was recruited to develop the plan. In 1976, the ASEAN Automotive Federation (AAF) proposed two projects involving the production and distribution of automotive parts within the ASEAN countries. ASEAN's economic ministers approved one project in 1983; the other was cancelled because of the inability of the ASEAN states to agree amongst themselves on how the project should be distributed and the incompatibility of parts built by different producers.\textsuperscript{113} By the end of 1985, the total value of the products traded by the only AIC was just over $1 million.\textsuperscript{114} Again, intra-ASEAN economic cooperation failed to

\textsuperscript{112} Ibid., 852. The lack of commitment of the ASEAN states to the AIPs is demonstrated by the fact that ASEAN states would neither guarantee markets to the products produced by AIPs, nor promise to refrain from developing the same industries on a national level, which would then compete with the regional AIPs. ASEAN states were not willing to sacrifice their individual national economic interests to a larger regional goal. Suriyamongkol, 210-215, 226.

\textsuperscript{113} Ravenhill, 852.

\textsuperscript{114} Chatterjee, 69-70.
produce significant results. As Chatterjee points out:

The fact that most ASEAN countries managed to set up their own domestic automotive industries in collaboration with well-known multinational firms from outside ASEAN points towards a certain lack of trust amongst members in matters involving mutual co-operation.\(^{115}\)

A reconstituted version of the AIC was implemented in 1988, largely at the urging of Japanese automakers. This new initiative, called Brand-to-Brand Complementation (BBC) was a greater success than the original scheme. The BBC was opened to sectors other than automotive components in 1991. It provides components exchanged between participating ASEAN states with a 50% margin of preference over competitors. Eight auto companies have had proposals approved for three participating states - Malaysia, the Philippines and Thailand - and Indonesia decided to join the program in 1994. This version of the AIC may prove more successful and durable than the last.\(^{116}\)

ASEAN Industrial Joint Ventures (AIJVs) attempted to build on the fact that the ASEAN states seemed more willing to cooperate with outside actors on economic matters. This scheme permitted non-ASEAN involvement in industrial projects as long as at least two ASEAN states participated by contributing equity. The items produced by the projects were granted preferential access in the participating countries. The Basic Agreement on ASEAN Industrial Joint Ventures (BAAIJV) was approved in 1983; by 1986, nine projects had been proposed. The private sector has generally shown

\(^{115}\) Ibid., 70.

\(^{116}\) Ravenhill, 852.
little interest in these ventures however, largely because of the difficulty of getting projects approved. By the end of 1994, state bureaucracies had accepted only 23 proposals.\footnote{Chatterjee, 70; Ibid., 853.}

ASEAN states tried to cooperate in the provision of financial services. They also tried to coordinate policies and programs in the areas of food, agriculture, forestry, minerals and energy, transport and communication, and tourism. These endeavours culminated in the creation of specialized bodies and many meetings, but their results were not impressive.\footnote{Chatterjee, 71-77; Castro, 87-88.}

If the ASEAN states were largely unsuccessful at internal economic cooperative initiatives, they did enjoy a limited degree of success in acting as an economic bloc towards the outside world. To a large degree, ASEAN's coherence in this regard was forced upon it by external actors who preferred to deal with the ASEAN states as a bloc rather than separate units. As early as 1968, officials of the European Economic Community (EEC) encouraged the ASEAN states to function as an economic bloc. Inter-organizational contact began in earnest in November, 1971, when ASEAN and the EEC held informal talks in Brussels. Since that time, the EEC (now the European Union) and ASEAN have enjoyed strong organizational linkages.\footnote{Jorgenson-Dahl, 145-146.}

A rare example of ASEAN functioning as a successful economic bloc is the case of synthetic rubber. In 1973, ASEAN became
concerned that an increase in Japanese-produced synthetic rubber would adversely affect the economies of member states, especially Malaysia. The ASEAN states initiated contact with Japan on this issue, and the parties agreed to establish the ASEAN-Japan Synthetic Rubber Forum to deal with the question. Eventually, a Memorandum of Understanding (MoU) was concluded which obligated Japan to support an ASEAN tire-testing laboratory in Malaysia and provide assistance to the Rubber Research Centre in Thailand. The Rubber Forum was converted to the ASEAN-Japan Forum in March 1977. Subsequent Japanese economic support for ASEAN economic projects was stalled by intra-ASEAN squabbling. Nonetheless, this experience encouraged Japan to approach ASEAN as a group, something it was initially reluctant to do.120

In 1978, Australia announced a new international civil aviation policy which dramatically lowered airfares between Australia and Europe, increased penalties for stopovers, and limited participation in the new policy to Australia's national airline and the airlines of the European countries directly involved. The effect of this policy was to exclude ASEAN airlines from a profitable route, as well as adversely affect the income the ASEAN countries derived from tourist stopovers between Australia and Europe. The ASEAN countries viewed Australia's efforts as a

blatant attempt to knock the airlines of developing world countries out of international civil aviation. At the time, Singapore was the ASEAN state with the most at stake. The ASEAN economic ministers adopted a common policy opposed to Australia; by 1979, the Australian government agreed to allow ASEAN airlines a certain share of the air-traffic between Australia and Europe.¹²¹

As an economic institution, ASEAN was a clear failure during the Cold War period. The member states simply did not have the desire to cooperate. They saw no pressing need to make themselves into a functioning economic bloc. The ASEAN states had divergent views on how to pursue their economic interests. Even after they began to move away from import-substitution policies, they still had little reason to forge strong intra-ASEAN economic bonds, largely because their economies were oriented outward. The economic benefits to be gained by pursuing intra-ASEAN trade were negligible in comparison to trade with the rest of Asia, North America and Europe. What economic success ASEAN did enjoy during this period was either attributable to the involvement of extra-ASEAN players or took place in areas where intra-ASEAN competition was not a factor. Where the narrow economic interests of individual ASEAN states were in competition, the ASEAN states were unable to cooperate. They lacked the incentive to make the economic side of ASEAN truly work. As I shall show when I discuss ASEAN economic cooperation in the post-Cold War era, the economic incentives for cooperation may have changed.

¹²¹ Jorgenson-Dahl, 148.
ASEAN may well have been economically important, however, in a more indirect way. The existence of ASEAN and its ability to mitigate disputes between its members contributed to the sense of political stability in the region, and made the ASEAN part of Southeast Asia much more attractive to foreign investment. It is unlikely that foreign business would have flocked to invest in a war zone, or an area of high tensions. The extent to which the existence of ASEAN has led to this investment climate, vs. the extent to which the investment climate has pushed the maintenance of ASEAN remains, for now, an open question.

The "ASEAN Way"

A fundamentally important component of ASEAN is its pattern of diplomacy. ASEAN's supporters credit the "ASEAN way" (or "ASEAN process") of diplomacy as being responsible for ASEAN's success.

The ASEAN way is based upon the Malay cultural notions of musjawarah and mufukat. These were introduced to Southeast Asian diplomacy by Sukarno and the Indonesians, indicating yet again the considerable importance of Indonesia on the formation of ASEAN. Musjawarah and mufukat are rooted in the traditional village societies of the Malay world. They are an approach to decision-making that emphasises consensus and consultation. Musjawarah means "that a leader should not act arbitrarily or impose his will, but rather make gentle suggestions of the path a community should follow, being careful always to consult all other participants fully and to take their views and feelings into consideration.
before delivering his synthesis conclusions."\textsuperscript{122} Mufukat means consensus, and is the goal towards which musjawarah is directed. Musjuwarah relies on the willingness of the members to be aware of the larger interests at stake in a situation. The negotiations that take place in the spirit of musjawarah are "not as between opponents but as between friends and brothers."\textsuperscript{123}

Using this cultural disposition as a starting point, ASEAN has developed the ASEAN way, or what Antolik calls the "ASEAN process."\textsuperscript{124} The ASEAN way is about the management and containment of problems. It is a "consultative process" which is primarily motivated by the desire to create a stable intramural environment.\textsuperscript{125} The techniques used by ASEAN to achieve this goal centre around the importance of symbolism and indirect approaches to conflictual situations. ASEAN uses codewords to express a variety of meanings in its diplomatic dealings. "ASEAN" itself is a codeword, representing "prosperity and stability" as well as a sense of regional consciousness and socialization, depending on the context in which it is used.\textsuperscript{126} The organization also practices a cautious diplomacy. Within ASEAN, conflicts are dealt with by the postponement of difficult issues, compartmentalization of an issue so that it does not interfere with other areas of cooperation, and

\begin{footnotes}
\textsuperscript{122} Quoted by Jorgenson-Dahl, 166.
\textsuperscript{123} Indonesian foreign minister Subandrio, quoted by Jorgenson-Dahl, 166.
\textsuperscript{124} Antolik, 9-10.
\textsuperscript{125} Ibid., 10.
\textsuperscript{126} Ibid., 94-96.
\end{footnotes}
quiet diplomacy. As a result, ASEAN is not capable of resolving many issues of contention between its members, but it is capable of moving those issues aside so that they do not prevent progress in other areas. Also important is a process of regional socialization. ASEAN has facilitated contacts between the governmental and social elites of its members states. It is, therefore, fundamental in constructing a sense of regional identity, as well as ties of personal obligation and familiarity between national leaders.\textsuperscript{127}

Antolik identifies three key principles of ASEAN that all member states must adhere to in order to ensure the success of the organization. These are: restraint, respect and responsibility. "Restraint" refers to a commitment to non-interference in each other's internal affairs, "respect" between states is indicated by frequent consultation, and "responsibility" is the consideration of each members interests and concerns.\textsuperscript{128} In practice, ASEAN's

\textsuperscript{127} In a confidential interview, an academic closely connected to the policy-making process in his country related to me how informal contacts between diplomats in ASEAN were instrumental in helping to defuse tensions and minimize conflict between the Philippines and Indonesia created by the holding of a human rights conference on East Timor in the Philippines. These contacts also prompted the Philippines' government to do what it could to obstruct the conference. Admittedly, this is a rather dubious example of intra-ASEAN cooperation, but it is relevant. (Moreover, the attempt to crush the conference probably attracted far more world attention than would otherwise have been the case.)

\textsuperscript{128} Antolik, 8-10, 156-157. Rolls, 316. As an example of intra-ASEAN "responsibility", Antolik cites the case of Singapore's relations with its neighbours regarding the treatment of ASEAN nationals in Singapore. In the past, Singapore has executed both Indonesian and Thai nationals, despite the protests of their respective governments. Antolik expresses the view that such insensitivity on the part of the Singaporean government would not occur again. However, this did occur again: the execution of a Filipina national in Singapore in March of 1995 created a genuine crisis within ASEAN at the time. This action seems to indicate that the government of Singapore still does not fully subscribe to the "spirit of ASEAN". See: "Anger of a Nation," Far Eastern Economic Review (March 30, 1995), 24.
unified policies reflect a consensus that is usually the lowest common denominator among member states. If the ASEAN states cannot agree on a common policy, they agree to go their separate ways, while still couching their differences in a "language of solidarity" that is sufficiently ambiguous to cover over differences. ASEAN itself can go to great lengths to accommodate different positions within itself. What is important, at the end of the day, is for the organization to present an appearance of unity. Antolik warns against the reification of ASEAN, however. He argues that ASEAN does not exist apart from its member states and only learns insofar as they learn. 129 ASEAN is a convergence of the interests of its members. 130

Jorgenson-Dahl points out that there are many difficulties associated with transferring the processes of musjawarah and mufukat to the international system. First, the nature and complexity of the interests at stake at the international level are of a magnitude far beyond that of the village environment in which these concepts were created. A disposition towards consensus-building is helpful, but it cannot replace a convergence of interests between the negotiating states. Second, there is no parallel at the international level to the authority vested in a village chieftain. Building consensus at the village level is important, but the authority and prestige of the leader will have an important effect on the outcome. By contrast, the principle of

129 Antolik, 10.
130 Ibid., 15.
sovereign equality is a fundamental part of international relations. In the context of ASEAN, no one state can legitimately claim to be the leader of the others. To some extent, Indonesia has asserted this role, and the other ASEAN states have deferred to it. But its position reflects political realities, not institutional structures. Finally, the processes of consultation and consensus-building that ASEAN emphasizes are hardly unique to Southeast Asia or Asia more generally. There are many examples of Western-created institutions that effectively function on the basis of consensus-building and unanimity.131

This is not to argue that the ASEAN way and the cultural factors supposedly underlying it are irrelevant. As Jorgenson-Dahl notes:

...a residue of goodwill based on feelings of brotherhood and kinship may serve the same purpose as oil on rough sea. They take the edges off the waves and make for smoother sailing.132

Again, however, there is nothing unique about cultural commonalities forming the basis of more cooperative relations between states. Similar sentiments probably help to smooth relations between countries, as examples, such as Canada, Britain and the United States, as well as the Scandinavian countries.

What is unique about the ASEAN way is the emphasis that

131 Jorgenson-Dahl, 165-167. Jorgenson-Dahl cites the failed League of Nations as an example of the requirement of unanimity at work in a broader-based international institution. He also mentions the Council of Europe and the Council of NATO as requiring unanimity in some cases. Another example of an institution that operates on the basis of a loose consensus may be the Group of Seven (G-7).

132 Ibid., 167.
ASEAN's supporters place upon it as the preferred method of diplomatic conduct in Southeast Asia. This implies the rejection of other forms of interaction. Indeed, in the post-Cold War period, some Asian commentators are promoting the ASEAN way as the "Asian way" of conducting international relations. According to this argument, Asians as a group are culturally disposed towards handling conflict in non-confrontational ways. They also reject rigid, legalistic institutions, preferring informal mechanisms for governing their relations. These cultural preferences are most fully embodied in the ASEAN way. Thus, the ASEAN way can and should be extended to encompass the relations of all Asian states.\(^{133}\)

There are numerous difficulties with this argument. For example, the immense variety of Asian culture would seem to make it difficult to specify universal Asian cultural characteristics. More to the point, however, is that presenting the ASEAN way as a manifestation of cultural preferences obfuscates the true nature of the process. The refusal of the ASEAN states to create strong, binding institutional structures is not simply an example of an Asian antipathy towards such structures. Rather, it reflects the fact that the ASEAN states do not wish to sacrifice sovereignty or independence of action to a supranational body. They do not share the level of consensus or recognition of convergent interests.

\(^{133}\) While there may be some validity to this cultural argument, it may have more to do with form than content. As the history of war and conflict in Asia indicates, Asians are just as capable of having violent disagreements as Westerners.
necessary to sustain strong institutional obligations.\textsuperscript{134}

The ASEAN way is a realistically modest approach to dealing with intra-ASEAN relations. It implicitly recognizes what it is possible to achieve between states. By appealing to the lowest common denominator between state policies, it does not push the institution beyond what it can sustain. It does not allow disagreement in some areas to prevent cooperation in others. In these respects, it is a brilliant and productive approach to international relations; it is one of ASEAN's genuine strengths. At the same time, however, the ASEAN way is symptomatic of ASEAN's institutional weakness. This delicate approach to international relations appears necessary because ASEAN lacks the higher levels of community and integration that would allow it to support binding, strongly institutionalized structures.

There is the strong possibility that the ASEAN way may now operate to the detriment of ASEAN itself. The processes of mujuwarah and mufukat were adopted at a time when they reflected the genuine limits of intra-ASEAN cooperation. That may no longer be the case; however, the lowest-common-denominator approach of the ASEAN way does not force states to compromise to a higher level of community. The very flexibility that has made ASEAN durable may also limit what it can become.\textsuperscript{135}

\textsuperscript{134} Remember that Malaysia and the Philippines first wished to construct the ASA as a strong institution with binding obligations. Thailand vetoed this idea and pushed for a less-binding structure. The decision to implement a loose structure reflected political realities, not cultural considerations.

\textsuperscript{135} Jorgenson-Dahl, 169.
Conclusion

The picture of ASEAN that emerges from this historical overview is highly complex. ASEAN, the organization, apparently improved relations between its member states. It developed techniques of interaction that fostered cooperative relations. It probably positively contributed to the growth of security arrangements between its members.

At the same time, ASEAN was strongly driven by the spectre of external political threat. ASEAN was created as a response to the fear of externally-sponsored communist insurgency. Even ASEAN's desire to alleviate tensions between its members was motivated, in part, by the fear that if anti-communist Southeast Asia was divided within itself, it would also be much more vulnerable to communist subversion. ZOPFAN, the Treaty of Amity and Cooperation and the Declaration of ASEAN Concord were all responses to changes in ASEAN's perception of threat from the outside.

As an economic institution, ASEAN was mostly unsuccessful. Economic arguments for the integration of the region did exist and were convincing. ASEAN even made a few tentative steps towards economic integration during the Cold War period. However, the ASEAN states were unwilling to put their national interests aside for the sake of a larger regional interest.

ASEAN made its greatest impact during this period as the political expression of its members' understanding of how the regional states should conduct their relations with each other and the outside world.
CHAPTER FOUR: ASEAN AND VIETNAM'S INVASION OF CAMBODIA

Introduction

ASEAN's management of the Vietnamese invasion of Cambodia (also known as Kampuchea) is considered by observers of ASEAN to be the high-water mark in the organization's diplomatic history. The occupation of Cambodia lasted from 1978 to 1990. During this period, ASEAN emerged as a significant international and regional actor. Much of the modern-day argument and belief that ASEAN can play a major role in the security and economic arrangements of the Asia-Pacific are based upon a particular interpretation of ASEAN's performance during the period of the Cambodian invasion. Therefore, the importance of this period for ASEAN's development requires that I examine it in some detail.

The main objective of this chapter is to present a complete picture of the international political struggle over Vietnam's invasion of Cambodia and ASEAN's role in that struggle. How did ASEAN handle the conflict? How effective was it at achieving its goals? What long-term effects did the invasion have on ASEAN's development and ability to function as a political unit?

The chapter's conclusion is that, even though ASEAN did exhibit a high degree of diplomatic cohesion during this formative period, it was also dogged by consistent disagreements between its member states. Key ASEAN states had differing perceptions of the regional threat and different strategies on how to approach it. The Vietnam experience is more instructive and pertinent as an indication of the limitations of intra-ASEAN cooperation than it is
as a measure of ASEAN's solidarity.

ASEAN and Vietnam: The Inter-War Period

The emergence of communist regimes in Vietnam, Cambodia and Laos in 1975 forced ASEAN to decide how to approach Indochina. The 1976 Bali Conference and its associated ASEAN Declaration of Concord and the TAC were part of an overall ASEAN strategy to consolidate its approach to regional security while extending an olive branch to Vietnam (now the Socialist Republic of Vietnam, or SRV) and its allies. In mid-1975, ASEAN proposed the establishment of cooperative relations with communist Indochina, an offer it left open until 1978. It was not yet willing to offer membership to the communist states. Vietnam was suspicious of ASEAN, however, and refused to establish relations with the organization. Instead, it pursued bilateral relations with the different ASEAN states. Vietnam had not forgotten about the involvement of some ASEAN members—Thailand and the Philippines—in the American war effort against North Vietnam (the Democratic Republic of Vietnam, or DRV). It believed ASEAN to be an indirect tool of American imperialism. Nonetheless, the individual ASEAN states and the SRV were able to establish diplomatic and commercial ties.

Vietnam's approach to regional issues reflected both its sense of its importance in the region, given its victory over the United

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1 North and South Vietnam did not formally reunify until 1976. At that time, the country was renamed the Socialist Republic of Vietnam. Carlyle Thayer, "ASEAN and Indochina: the Dialogue," in Alison Broinowski, ed., ASEAN Into the 1990s (London: Macmillan, 1990), 143.

States, and its perception of ASEAN as an American instrument. In 1976, Vietnam expressed what was interpreted in the ASEAN capitals as a desire to support revolutionary movements throughout the region. Vietnam also called for the development of "genuine neutrality" in Southeast Asia. The use of the term "genuine neutrality" offended the ASEAN states, which interpreted the phrase as implying that Malaysia and the Philippines could not be considered neutral until they removed the foreign bases on their soil. At a meeting of the Non-Aligned Movement in August 1976, Vietnam and its communist allies explicitly rejected ZOPFAN as a model for regional security in Southeast Asia. In late 1977-78, Vietnam suggested that a new Southeast Asian organization be formed, based on the principles of "peace, independence, and neutrality." In May 1978, Vietnam built on these suggestions by presenting its own regional vision at the United Nations. It called for the declaration of Southeast Asia as a Zone of Peace, Independence and Genuine Neutrality (ZOPIGN), an obvious counterpart to ASEAN's ZOPFAN.

In the face of Vietnamese hostility towards its regional vision, ASEAN closed ranks and reiterated its declaratory commitment to ZOPFAN. Given the opposition of the Indochinese states and its own internal ambivalence towards ZOPFAN, ASEAN was actually incapable of making tangible progress on its initiatives. However, the sense of threat within ASEAN was not as pressing as it

3 Quoted by Thayer, 144.
4 Ibid., 145.
had been immediately after the communist victory in Vietnam. Since 1975, it had become clear that the Khmer Rouge in Kampuchea were fiercely independent and would not be part of a Vietnamese-dominated communist bloc in Indochina. This inter-communist balance of power on the mainland was welcomed by ASEAN. The situation allowed an easy accommodation of conflicting security perspectives within ASEAN. Thailand was happy with a situation that prevented Vietnam from dominating Indochina and which maintained Kampuchea as a buffer state. Indonesia was satisfied with the growing Sino-Vietnamese tensions, which impeded Chinese influence in Southeast Asia.\(^5\)

By August 1977, the intra-communist conflict began to escalate. The Kampucheans provoked a series of military conflicts on the Vietnam-Kampuchea border. By the end of 1977, Vietnam and Kampuchea had suspended diplomatic relations. From that point, both Vietnam and Kampuchea prepared for war and sought outside assistance. Kampuchea turned to China; Vietnam strengthened its ties to the Soviet Union. Both sides began to court ASEAN. Thus, despite an inability to articulate a concerted approach to regional security and a decided lack of progress towards economic cooperation, ASEAN found itself the focus of considerable diplomatic attention.\(^6\)

This approach was part of a trend that had started in 1977. Outside powers had begun to view the organization as a viable

\(^5\) Leifer, 70-73, 76-77.

\(^6\) Ibid., 77.
bulwark against communist Indochina. The 1977 ASEAN 10th anniversary meeting was attended by Japanese Prime Minister Fukuda; the meeting also initiated ASEAN's dialogue processes with extra-regional actors. This international attention increased ASEAN's prestige. The subsequent efforts of the communist powers jockeying for ASEAN support enhanced ASEAN's diplomatic credentials even more. The more attention foreign actors paid to ASEAN as a diplomatic community, the more ASEAN responded as though it was a coherent body.  

In July 1978, Vietnamese Foreign Minister Phan Hien toured Southeast Asia. He declared that Vietnam now regarded ASEAN as an economic regional organization. He announced Vietnam's support for ZOPFAN, while also calling for discussions on ZOPIGN. In September-October, Vietnamese Premier Pham Van Dong visited the ASEAN capitals. In each country, he offered to sign a treaty of friendship and non-aggression; he also pledged that Vietnam would not provide any support to regional insurgencies. ASEAN coordinated its response to the Vietnamese initiatives and collectively agreed to individually decline the offers of non-aggression treaties. 

Kampuchea launched its own diplomatic initiative, with the assistance of China. Deng Xiaoping himself visited Thailand in

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7 Ibid., 81-82,86.

December 1978, to support the Kampucheans. By this time, the intelligence agencies of the ASEAN states knew that both Vietnam and Kampuchea had been equipped for war by their external supporters, and that the conflict in Indochina was becoming more intense. On November 3, 1978 Vietnam signed a 25-year Treaty of Friendship and Co-operation with the Soviet Union; on December 25, Vietnam began its invasion and occupation of Kampuchea.

ASEAN Versus Vietnam: The Cambodia Conflict

Vietnam's Role in the Cambodia Conflict

The Vietnamese decision to invade Kampuchea was the outcome of a long history of antagonistic Communist party relationships within Indochina. Even before the end of the Vietnam War, Cambodian Khmer Rouge factions were engaged in military conflict with the Vietnamese Communists. Differences in doctrine, history, culture, and the demands of strategic imperatives all combined to create hostility between the two groups. After 1975, different Vietnamese actions and initiatives - especially the Vietnamese call for a

9 Thayer, 146; Chanda, 77. According to Evans and Rowley, China had tried to restrain the scope and intensity of Kampuchea's attacks on Vietnam, to little effect. By the time Deng Xiaoping visited Bangkok in 1978, he was predicting that Vietnam would invade Kampuchea, and was really attempting to interest Thailand and the other ASEAN states in supporting an armed insurgency against a Vietnam-backed regime in Phnom Penh. See: Grant Evans and Kelvin Rowley, Red Brotherhood at War: Vietnam, Cambodia and Laos Since 1975 (London: Verso, 1990), 140-141.

10 Leifer, 89; Thayer, 146.

11 Cambodia was re-named "Kampuchea" in 1975. The country's name was changed back to the "State of Cambodia" (SOC) from the "People's Republic of Kampuchea" (PRK) on April 30, 1989. This was done as part of an attempt to improve relations between the government of the SOC and deposed Prince Sihanouk of Cambodia. See: Michael Haas, Genocide by Proxy: Cambodian Pawn on a Superpower Chessboard (New York: Praeger, 1991), 141. My use of these names will reflect these historical events.
"special relationship" between the countries of Indochina - confirmed Khmer Rouge fears that Vietnam desired to become the Indochinese hegemon. Relations worsened, and the Khmer Rouge launched a number of commando raids on Vietnam, which ultimately provoked the Vietnamese invasion.¹²

History had taught Vietnam to think of Indochina as a "single strategic unit".¹³ During its struggles against the French and Americans, Laos and Cambodia were frequently used as staging grounds from which hostile forces targeted Vietnam. The Vietnamese determined that their own peace, security and independence were contingent on having friendly governments in power in Laos and Cambodia. Vietnam's attempts to ensure this outcome had the effect of antagonizing Kampuchea, which perceived Vietnam's ambitions as a threat, and moved closer to China to counterbalance Vietnam. Vietnam already regarded China's designs in Southeast Asia with considerable suspicion. Thus, it moved closer to the Soviet Union even as it became increasingly estranged from China. China did attempt to mediate the Vietnam-Kampuchea conflict, fearing that the Soviet Union would be able to exploit the rift. However, after


¹³ Turley, 171; Evans and Rowley, 86-87.
1975, open conflict between the Khmer Rouge and Vietnam led to the breaking of diplomatic relations between the two parties. This development forced China to choose between the two. By February 1978, China denounced "hegemony" in Indochina (a reference to Vietnamese ambitions) and increased its provision of weapons to the Khmer Rouge. To Vietnam, these developments confirmed that Kampuchea was an instrument of Chinese domination in the region. Vietnam moved even closer to the Soviets, joining the Council for Mutual Economic Assistance (CMEA) in June 1978. China responded by suspending all remaining aid to Vietnam. Finally, as noted above, Moscow and Hanoi signed a Treaty of Friendship and Cooperation in November 1978. This treaty meant that Vietnam had a superpower protector against China and its Kampuchean ally. The Treaty opened the door to the Vietnamese invasion of Kampuchea. The conflict moved to the forefront of the continuing Soviet-Chinese competition. 14

The long-term Vietnamese strategy in Kampuchea was to create a state that was self-reliant but allied to Hanoi. The Vietnamese saw two possible "traps" that they wanted to avoid. The first was creating a Kampuchean regime dependent for its survival on a

14 Turley, p.169. For a somewhat different analysis of the root causes of China's antagonism towards Vietnam during this period, see Ramses Amer, "Sino-Vietnamese Relations and Southeast Asian Security," Contemporary Southeast Asia 14 (#4, March 1993), 314-331. Amer emphasizes the exodus of ethnic Chinese from Vietnam during the late 1970s as a crucial factor explaining the deterioration of China-Vietnam relations. See especially pp. 318-322. Evans and Rowley concur with this analysis. Vietnam's decision to ally itself with the Soviet Union was the decisive strategic event that solidified China's enmity towards Vietnam, but Vietnam-China relations were already deeply undermined by the continuing conflict over the cultural identities and political loyalties of the ethnic Chinese (Hoa) in Vietnam. Evans and Rowley, 48-54,302.
Vietnamese presence. The second was the possibility of Vietnam withdrawing from Kampuchea too early, thereby allowing the return of the Khmer Rouge and, by extension, China. To avoid the risk of Kampuchean dependence, Vietnam announced a policy of gradual troop withdrawals, beginning in February, 1982. These withdrawals were designed to force the new Kampuchean government forces to fend for themselves. To deal with the second threat, the possibility of a Khmer Rouge return, Vietnam launched a series of devastating attacks on Kampuchean resistance encampments in Thailand during the 1984-1985 dry season. The objective in these attacks was to so cripple the resistance that Vietnam could completely withdraw from Kampuchea by 1990 while giving the PRK the opportunity to consolidate its own military gains. Plans for economic integration between Vietnam and Kampuchea were also advanced, in order to ensure the PRK's survival.15

Vietnam counted on its gradual troop withdrawals to placate its international opposition and to draw attention away from the question of the government of Kampuchea. If the sight of Vietnamese troops withdrawing was not enough to distract the world from the Kampuchean question altogether, it might be enough to refocus world attention on how to prevent the return to power of the Khmer Rouge. Either way, Vietnam believed that it could maintain privileged access to Kampuchea and block the return of the Khmer Rouge. The

15 Turley, p.172; Evans and Rowley, 214-217.
larger goals of its intervention could still be achieved.\textsuperscript{16}

Towards ASEAN, Vietnam tried to exercise a policy of playing to contradictory threat perceptions and the concerns of some ASEAN states, notably Indonesia and Malaysia, about the intrusion of external powers into Southeast Asia. This strategy met with limited success, in part because of Vietnam's own clumsiness in attempting to sow discord within ASEAN. Vietnam's attempts, in the short term, had the effect of drawing ASEAN more strongly together.\textsuperscript{17} In the long term, however, the reality that there were significant differences in perceptions about security interests within ASEAN meant that the organization moved towards being more accommodating of Vietnam. This is a development that will be explored below.

**The Roles and Interests of the Great Powers**

The Kampuchean conflict attracted a great deal of attention from the great powers because it began at a time of considerable tension between the Soviet Union and China. The American retreat from Vietnam left a power vacuum in Southeast Asia that the Soviets and Chinese tried to fill. Already confronted by a Soviet presence on its northern border, China was concerned about keeping its Southern flank free of Soviet influence. Thus, Vietnam could not

\textsuperscript{16} Turley, p.173. For a detailed account of the Vietnamese occupation of Cambodia, see: Marie Alexandrine Martin, *Cambodia: A Shattered Society* (Berkeley: University of California Press, 1994). Martin recounts what can legitimately be considered as Vietnam's attempt to culturally colonize its Cambodian neighbour. Within the geopolitical context of the situation, Vietnam's efforts in this regard, however misguided, were probably a further attempt to create a Cambodia that would not pose any future threat.

\textsuperscript{17} Thayer, 148; Leifer, 106-107; Michael Antolik, *ASEAN and the Diplomacy of Accommodation* (Armonk: M.E. Sharpe, 1990), 119-120.
form a relationship with the Soviet Union without aggravating China. By the time China invaded Vietnam in February 1979, as part of a punitive military campaign in response to the Kampuchean invasion, there were numerous areas of contention between the two countries, including territorial disputes. The most important single factor accounting for Chinese hostility, however, was Vietnam's growing relationship with China's primary rival, the Soviet Union.18

China's strategic response to these developments was to "bleed" Vietnam and, through it, its superpower sponsor. After its punitive invasion of Vietnam in February-March 1979, China continued to apply military pressure in an effort to exhaust Vietnam's economic and military ability to prosecute its occupation of Kampuchea.19 China supported the Khmer Rouge in a guerilla war meant to bog Vietnam down in an unwinnable conflict until it was drained and the Soviet Union had lost its desire to underwrite the occupation. China demanded the complete and unconditional withdrawal of Vietnamese troops from Kampuchea as part of a delaying tactic designed to keep Vietnam engaged in a deteriorating, exhausting struggle. To implement its strategy,

18 Turley, 173-174.
19 China's "punitive invasion" achieved most of China's immediate military objectives within Vietnam, but at an unacceptably high price. According to Vietnam, more than 20,000 Chinese were killed and the total number of Chinese casualties was over 60,000. The military action actually demonstrated the weaknesses of China's People's Liberation Army (PLA). Vietnam possessed superior weaponry and logistics, compared to China's outmoded weapons and tactics. 200,000 Chinese troops were contained by half as many of Vietnam's regional troops and militias. Only in one battle did Vietnam commit one of its main force divisions. Evans and Rowley, 115-117.
China needed to improve its relations with the ASEAN states, especially the "front-line" state, Thailand. With improved relations, Chinese weapons could then cross Thailand to the Khmer Rouge. The Chinese were also provided with opportunities to improve relations with ASEAN, engage the ASEAN states in a united front against Vietnam, and act as a guarantor of peace and stability in Southeast Asia as a whole. 20

The Soviet Union's behaviour was defined by its rivalry with China and its desire to exploit the decline of American power. Vietnam needed Soviet support, in light of its own security interests in Kampuchea and its declining relationship with China. In exchange for that support, the Soviet Union gained considerable prestige in its competition with China for inter-Communist primacy. It also acquired a strategic foothold in a region from which it had been excluded. In March 1979, Vietnam allowed the Soviet Union the use of base facilities at Cam Ranh Bay. In 1980, the Soviets were granted access to an airfield at Danang. These developments permitted the extension of Soviet military power into the Indian Ocean and Persian Gulf, and formed the cornerstone of a Soviet-Vietnamese alliance against their mutual enemies – China and the United States. 21

American interests in the Kampuchean conflict were more indirect than those of China and the Soviet Union, but still pertinent. The United States perceived the Vietnamese invasion as

20 Turley, 174.

21 Turley, 174-175.
a threat to Thailand, as a challenge to American reliability in the region, and as an opportunity to cement a relationship with China against the Soviet Union. The American response to the invasion was to tighten its economic embargo on Vietnam, expand its military presence in the region, and increase arms sales to the ASEAN states. Initially, the United States was highly supportive of China's intransigent stand against Vietnam, but congressional pressure later forced the U.S. government to distance itself from the Khmer Rouge and become more sensitive to the spread of Chinese influence into Southeast Asia. Nonetheless, American support was essential in strengthening ASEAN's resistance to the Vietnamese invasion.\textsuperscript{22}

The dynamics of the great power relations in Southeast Asia are fundamental to understanding how events transpired and were later resolved. Issues and conflicts particular to other actors in this situation also played important roles in perpetuating the Kampuchean war. Nonetheless, great power interests kept the conflict going, in part, because all three great powers benefitted from the situation. For China, Vietnam's actions provided it with an unprecedented opportunity to exercise power and influence over the states of the region. The war also provided China and the United States with an opportunity to damage the Soviet Union. The Soviets, by contrast, had gained an unprecedented foothold in the region that they could maintain as long as Vietnam remained highly

\textsuperscript{22} Turley, 175.
dependent on their support.  

**ASEAN's Response to the Cambodian Invasion**

The Vietnamese invasion had an immediate and dramatic effect upon ASEAN. In the past, ASEAN's development was usually in response to Vietnamese actions, and the perceived security threat from the Communist regime. Now, it appeared that Vietnam was living up to the most overblown fears of its neighbours. Moreover, the invasion occurred only a few months after Vietnamese Premier Pham Van Dong's visit to the ASEAN states and his assurances to regional leaders that Vietnam would respect the principles of territorial sovereignty and non-interference in the affairs of neighbouring states. Thus, ASEAN leaders saw the attack on Kampuchea as a clear breach of faith. 

Vietnam's invasion and occupation of Kampuchea violated two of ASEAN's fundamental security norms: 1) states shall not interfere in the domestic affairs of other states; 2) states shall not use force to resolve political disputes. However, while the ASEAN

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23 Turley, 176. This situation is not as straightforward as it may seem. China wanted the Soviet Union out of East Asia even as the Soviets were determined to assert themselves as a great power in the region. However, as early as 1983, both sides were making efforts to improve their relations. Evans and Rowley, 233-235.

24 This account of ASEAN's response to the Vietnamese invasion of Cambodia is based primarily upon: Thayer, 138-161; Turley, 167-193; Leifer, 83-149.


states could agree on the general principles at stake and the need to reverse the Vietnamese invasion of Kampuchea, divergent strategic perspectives created friction within ASEAN over how to achieve that goal.27

At one end of the strategic spectrum were Thailand and Singapore; at the other, Indonesia and, to a lesser extent, Malaysia. The Philippines fell somewhere in between. Thailand was the ASEAN state most directly threatened by the Vietnamese invasion. The occupation of Kampuchea radically altered the regional balance of power by destroying Kampuchea as a buffer state between Thailand and Vietnam. Thailand was not afraid of a Vietnamese military invasion, but it was historically opposed to Vietnamese dominance in Indochina, which it saw as a threat to its own aspirations. More directly, it was concerned that Vietnam would undermine its national security by supporting insurgency and secession, especially in northeastern Thailand.28

Thailand's primary response to Vietnam's invasion of Kampuchea was to call on the great powers. ASEAN was a fundamental part of Thailand's diplomatic response to Vietnam. Even so, ASEAN was only a secondary factor in Thailand's strategy. The organization could not provide the raw power necessary to roll back Vietnam's invasion; such power was only available from much larger players. In January 1979, Thailand struck a bargain whereby it facilitated Chinese material support to the deposed Khmer Rouge in Kampuchea;

27 Haas, 89.

in exchange, China abandoned its support for the Communist Party of Thailand. Thai Prime Minister Kriangsak visited Washington in February to secure a reiteration of American security guarantees to Thailand. It was on the basis of the support of these great powers that Thailand decided to oppose Vietnam's actions. 29

Singapore's strategic perspective was, ostensibly, influenced by the Soviet Union's support for the Vietnamese invasion. Singapore was concerned by the United States' neglect of Southeast Asia during this period. It believed that a stable balance of power in the region required American involvement. Thus, presenting the Vietnamese action as an example of Soviet expansionism was meant to draw American attention. Moreover, Singapore still adhered to the "domino theory" of communist expansion. Vietnam's huge supply of captured American weapons gave rise to fears that it would use those arms to support regional insurgency. Singapore regarded itself as a highly vulnerable state which could not afford to lose the buffer states between it and communism. 30

Indonesia took a much different perspective on the Kampuchean invasion from the outset. Initially, some observers have suggested

29 Leifer points out that, had it not been for the opposition of China (and, to a much lesser extent, the United States) to Vietnam's actions, Thailand and ASEAN would have had no choice but to accept Vietnam's occupation of Cambodia as a fait accompli. Indeed, a similar situation had already occurred. Communist Laos shared a common border with Thailand and a subordinate relationship to Vietnam. Thailand had no choice but to accept the loss of Laos as a buffer state, however, because no external power was opposed to the arrangement. In the case of Cambodia, the situation was different. Leifer, 96-97.

30 Leifer, 72,92; Haas, 97-98. Leifer says that Singapore was "wary" of China but was more concerned about Vietnam, for the reasons cited. Moreover, Singapore recognized that the United States would be less inclined towards recognizing a Chinese threat to the region, given the U.S.-China rapprochement.
that Thailand needed to convince Indonesia to oppose Vietnamese actions.\textsuperscript{31} Despite being deeply hostile to communism and having maritime territorial disputes with Vietnam, Indonesia was still well-disposed to the Socialist Republic of Vietnam (SRV). There are several major reasons for Indonesia's initial reluctance to condemn Vietnam. First, Indonesia was quite sympathetic to Vietnam's security concerns. As a country that itself had to wage a prolonged anticolonial war before it gained independence, Indonesia believed it understood Vietnamese fears. Second, to Indonesia, it was unclear that Vietnam was a threat to regional security, and even if it was, it only constituted a short-term threat. Indonesia viewed China as the real long-term security threat, and hoped that Vietnam could help check the expansion of Chinese influence into Southeast Asia.\textsuperscript{32} In addition, Indonesia resented the ASEAN agenda being set by Thailand.

Despite its reservations about the general direction of ASEAN corporate policy towards Vietnam, however, Indonesia had a number of reasons for supporting ASEAN. First, Indonesia was aware of its own need to demonstrate that it could be a regional player. Indonesia still had the shadow of Konfrontasi hanging over it. It could not afford to undermine ASEAN. Indonesia also continued to

\textsuperscript{31} This information was given to me in the course of a confidential interview with an academic observer in Thailand. This scholar was told by a Thai Foreign Ministry official that Thailand had to convince Indonesia to take a strong stand against Vietnam. Ultimately, Indonesia was convinced that a serious issue of principle was stake.

\textsuperscript{32} Leifer, 91-92; Tim Huxley, Insecurity in the ASEAN Region (London: Royal United Services Institute for Defence Studies, 1993), 14; Huxley in Broinowski, 91.
view ASEAN as an instrument through which it could exercise regional influence. Finally, the Indonesians recognized that Thailand was quite willing to abandon ASEAN if the organization did not support its position against Vietnam. For these reasons, Indonesia was willing to submerge its own immediate interests for the sake of ASEAN solidarity, and try to work within ASEAN to resolve the Kampuchean situation.\textsuperscript{33}

Like Indonesia, Malaysia also considered China to be the paramount long-term threat to the region, and saw Vietnam as a possible counter-weight. The Malaysians perceived a Chinese threat in the context of their domestic politics. Local insurgencies continued to gain their greatest support from ethnic-Chinese Malaysians; China had also refused to renounce its support of the Communist Party of Malaya. Moreover, Malaysia perceived the outflow of ethnic-Chinese boat people from Vietnam that was occurring at the time of the Kampuchean invasion as a threat to its ethnic balance.\textsuperscript{34}

The Philippines, due to its geographic isolation, did not feel particularly threatened by either Vietnam or China. It had serious communist and Muslim insurgencies with which to contend; it was not overly concerned with hypothetical threats from external actors. However, the Philippines had a well-established legalistic outlook in international relations; it could not excuse Vietnam's actions. Moreover, ASEAN was fundamental to the Philippines' strategy of

\textsuperscript{33} Turley, 177; Leifer, 91,96; Antolik, 120.

\textsuperscript{34} Leifer, 92-93; Evans and Rowley, 53-54; Chanda, 77.
building its regional identity. Therefore, the Philippines would not dissent from the ASEAN consensus.\textsuperscript{35}

Despite the lack of an organizational strategic consensus, ASEAN could not ignore the blatant violation of principle represented by Vietnam's invasion and occupation of Kampuchea. Nonetheless, ASEAN's initial statements on the invasion were quite diplomatic, reflecting Indonesia's perspective and the desire to keep channels of communication open with Vietnam. The organization met in Bangkok on January 12-13 1979 and issued a statement calling for the "immediate and total withdrawal of the foreign forces from Kampuchean territory."\textsuperscript{36} In February-March 1979, China launched a punitive assault on Vietnam. ASEAN responded by calling for the withdrawal of all foreign forces from both Vietnam and Kampuchea. China began to pursue, in earnest, its own strategy towards Vietnam; ASEAN worked towards developing a coherent strategy of its own.\textsuperscript{37}

From 1979-1980, ASEAN attempted to create political and economic pressure on Vietnam and its client government in Kampuchea. ASEAN focused its diplomatic efforts on international fora such as the United Nations (UN) and the Non-Aligned Movement (NAM). Its political goal was to deny the new People's Republic of

\textsuperscript{35} Leifer, 93.

\textsuperscript{36} Quoted in Leifer, 94. ASEAN's earliest official statement about the invasion was issued on January 9 by Mochtar Kusumaatmadja, Indonesia's Foreign Minister, in his capacity as chairman of the ASEAN Standing Committee. This statement deplored the escalation of conflict in Indochina, but was even less condemnatory of Vietnam than the statement of January 14.

\textsuperscript{37} Thayer, 146-147; Leifer, 93-95; Antolik, 115-118.
Kampuchea (PRK) international recognition and, as a result, access to international aid. ASEAN also sought to deny Vietnam access to economic aid from the West and Japan. ASEAN attempted to keep the Kampuchean conflict in the international public eye, in order to maintain the pressure on Vietnam. To do this, it sought to define the terms of the international debate over Kampuchea. ASEAN established the orthodoxy that the Kampuchean conflict was caused by the Vietnamese invasion; the situation could only be resolved if Vietnam withdrew. 38

ASEAN was quite successful in garnering support for its diplomatic and economic agenda in international fora. Its activities also had positive side-effects for ASEAN itself. Operating as a bloc on the international stage taught the ASEAN states to refine the internal organizational processes of consultation and coordination of policy. Nonetheless, ASEAN still remained divided on how to achieve its stated goals. While the ASEAN states could agree on the political and economic pressures they needed to apply against Vietnam, they disagreed on the form of military pressure. 39

In September 1979, Vietnam and its allies tried, unsuccessfully, to put the PRK in the place of Democratic Kampuchea (DK), as the representative of Kampuchea at the UN. ASEAN rallied opposition to this move, and succeeded in coordinating a 91-21 vote in favour of a resolution calling for a cease-fire in Kampuchea,

38 Leifer, 100-101.
39 Thayer, 147.
the withdrawal of foreign forces, and the convening of an international conference on the conflict. ASEAN's diplomatic success reflected its own efforts, but also the fact that the organization was part of a much larger informal international coalition opposed to Vietnam and its supporter, the Soviet Union. ASEAN received vigorous diplomatic support from China for its initiatives. Chinese willingness to provide military support for the Khmer Rouge was also essential in maintaining ASEAN's initial opposition to Vietnam's actions. Without access to Chinese military backing, it is doubtful that Thailand would have opposed the invasion of Kampuchea on the basis of ASEAN's diplomatic support alone. The Sino-American rapprochement, based on a common opposition to the Soviet Union, was also at work. The United States responded to the invasion of Kampuchea by implementing economic sanctions against Vietnam. Despite concerns with driving Vietnam more firmly into the arms of the Soviet Union, Japan and the European Community followed suit. Thus, ASEAN was only one, highly visible part of a convergence of international forces arrayed against Vietnam and the Soviet Union. ASEAN's diplomatic success must be understood within this context.

Despite ASEAN's ability to adopt a common policy towards Vietnam, internal disagreements continued over whose security interests were being served. Indonesia and Malaysia persisted in their view that ASEAN's corporate policy was serving Chinese

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40 Leifer, 95-97.
41 Huxley in Broinowski, 97.
interests by punishing Vietnam, and would only serve to compound regional problems in the long-term. They feared that Vietnam was being driven more tightly into the Soviet orbit. The longer and more intense the conflict, the more Vietnam would have to rely on the Soviet Union, and the greater the spread of Soviet influence. The Soviet access to military facilities in Vietnam was symptomatic of this development. Thus, ASEAN's policies not only drew the organization into the Sino-Soviet conflict, but were bound to lead to an intensification of that conflict in Southeast Asia. The final outcome would either be a weakened Vietnam subject to Chinese influence, or a weakened Vietnam increasingly dependent on the Soviet Union, which would reinforce the Thailand-China relationship. The idea of ZOPFAN, held most strongly in Indonesia, would never become a reality, and Southeast Asia would continue to be the focus of great power rivalry.42

In March 1980, these growing concerns led to a meeting between

42 Leifer, pp. 102-103. Another factor that contributed to ASEAN's united front against Vietnam during this period was the problem of the "boat people". Throughout 1978-1979, Vietnam allowed the mass exodus of a significant part of its ethnic-Chinese population. Malaysia feared the influx of ethnic Chinese would disrupt its internal communal balance. Its policy of pushing boat people back out to sea and onto Indonesia strained relations with its larger neighbour. Indonesia also feared the ethnic and political impact of the Vietnamese-Chinese refugees. Singapore, which did not want to become an ethnic-Chinese haven, only accepted refugees if they were in transit to a third country. ASEAN further closed ranks against Vietnam as a result of this situation. Even here, however, differences in strategic perspective became apparent. Indonesia and Malaysia, which saw China as the major regional security threat, both viewed their own ethnic-Chinese populations as potential fifth columns. They were sympathetic to what they saw as Vietnam's security concerns about its ethnic Chinese population. Singapore, by contrast, portrayed the boat people as part of a Vietnam-Soviet Union plot to destabilize the region. The end result, however, was that Vietnam alienated the ASEAN states most sympathetic to its position. Leifer, 98-99; Evans and Rowley, 48-54.
President Suharto of Indonesia and Prime Minister Hussein Onn of Malaysia in the Malaysian town of Kuantan. Indonesia and Malaysia believed that Vietnam could be convinced to withdraw from Cambodia if its "legitimate" security needs were taken into account. The resulting Kuantan Declaration stated that Southeast Asia could only be a zone of peace if Vietnam were freed of Chinese and Soviet influence. This could be achieved by recognizing Vietnam's legitimate interest in the political character of Kampuchea. In effect, the Declaration was the application of ZOPFAN to the Kampuchean situation.

The Kuantan Declaration implicitly accepted Vietnam's hegemonic status in Indochina. As such, it was completely unacceptable to Bangkok, a point that the Thai leadership went out of its way to emphasize. Moreover, Hanoi rejected the Declaration, too; it was not about to abandon its close relationship to the Soviet Union. The Kuantan Declaration, which had disturbed the surface political cohesion of ASEAN, became a political embarrassment that was rapidly buried. Nonetheless, the political and strategic logic underlying the Declaration persisted and continued to create tensions within ASEAN, albeit in a more muted

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43 President Suharto and Prime Minister Hussein were also motivated by a concern over political instability in Thailand. A recent transfer of power within Thailand from Prime Minister General Kriangsak to General Prem Tinsulanond had been peaceful, but the result of factional infighting within the Thai military. The President and Prime Minister were concerned that internal instability in Thailand might be aggravated by its involvement in the Kampuchean situation, so sought a way to end that conflict. Leifer, pp.105-106.

44 Thayer, 148; Leifer, 105-106; Antolik, 118-119.
Subsequent developments helped to temporarily mitigate intra-ASEAN divisions. In June 1980, the Thai government, with the approval of the United Nations, initiated a policy of "voluntary repatriation" of Kampuchean refugees from camps within Thailand. Along the way, a Khmer Rouge-controlled camp was repatriated, with the effect of strengthening Khmer Rouge forces within Kampuchea. The Kampuchean government denounced this action as a hostile plot; Vietnam embarked on a limited military campaign to stop the repatriations, which involved incursions into Thailand and engagement of Thai forces. Vietnam's actions were not just meant to end the repatriation process, but also to redefine the terms of the international debate on Kampuchea. Vietnam sought to demonstrate that the only source of conflict in the region was on the Thailand-Kampuchea border, and that conflict would cease once Thailand recognized the new Kampuchean government. Whatever its reasons, Vietnam's actions caused ASEAN to close ranks behind Thailand once again.

The International Conference on Kampuchea (ICK)

A major liability for ASEAN's position on Kampuchea was its need to support the Khmer Rouge as the legitimate government of Kampuchea.

Leifer, 106-107. Thayer suggests that Vietnam was more open to the Kuantan Declaration, which it saw primarily as an opportunity to exploit the evident divisions within ASEAN. Vietnamese Foreign Minister Nguyen Co Thach visited Malaysia in May 1980, and declared the Cambodian situation open for discussion in light of the Kuantan Declaration. Any potential progress, however, was ended by Vietnam's subsequent military actions against Thailand. Thayer, 148-149.

Evans and Rowley, 199-200; Thayer, 149; Leifer, 107-108.
Kampuchea. Its history of atrocity meant that the Khmer Rouge was not well-regarded either inside or outside Kampuchea. The prospect of a return to power by the Khmer Rouge terrified most Kampucheans and hardened Vietnam's resistance to political compromise. Moreover, ASEAN's implicit support for the KR was weakening international support for its position. However, the KR was the only viable military opposition to Vietnam in Kampuchea.

ASEAN tried to work around this problem by creating a non-communist alternative to the Khmer Rouge. At the time, however, there were no credible candidates for this role. Prince Sihanouk of Cambodia had not yet committed himself to lead a resistance movement. The Khmer People's National Liberation Front (KPNLF), led by Son Sann, had just been formed, but lacked a viable military. Moreover, the Khmer Rouge could not be ignored. ASEAN's plan was to create a coalition that could incorporate the Khmer Rouge and dilute its identity. However, non-communist forces had to be convinced to work with the Khmer Rouge and the KR itself was hardly inclined to join a coalition meant to usurp its leadership position. China was also unprepared to push the KR in this direction.

Nonetheless, ASEAN persisted in its efforts to find a political solution to the Kampuchean conflict. In June 1981, ASEAN

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47 In 1979, Britain withdrew its recognition of the DK; in 1980, Australia followed suit and India established diplomatic relations with the regime in Phnom Penh. Leifer, 110. However, both Britain and Australia promised ASEAN that they would not recognize the PRK, on the grounds that, even though it controlled Kampuchea, it was dependent for its survival on Vietnam. Evans and Crowley, 192.

48 Evans and Rowley, 205-217; Leifer, 110-115.
adopted a compromise position between the Indonesian and Thai perspectives. That position attempted to accommodate Vietnam's security concerns by presenting a formula for the resolution of the Kampuchean conflict which called for the disarming of all Kampuchean factions by a UN force despatched to supervise Vietnam's withdrawal from Kampuchea. ASEAN apparently hoped to moderate Vietnam's intransigence by offering the possibility that Kampuchea might be reclaimed by a non-communist alternative to the Khmer Rouge which would enjoy popular support and not threaten Vietnam's security. Practically speaking, this would require disarming the Khmer Rouge and constructing a political coalition, tasks easier said than done. Still, ASEAN indicated a willingness to be flexible in its diplomacy and open to Vietnamese interests.  

ASEAN had successfully lobbied for an International Conference on Kampuchea (ICK), held in New York in July 1981 under United Nations auspices. In an attempt to accommodate Vietnam's security concerns, the ICK was deliberately linked to ZOPFAN, which Vietnam had accepted as a basis of discussion about regional security. ASEAN tried to ensure as wide participation as possible, including Vietnam and three different Khmer factions.  

Vietnam boycotted the proceedings, however, because of the UN's recognition of the DK as the legitimate Kampuchean government. The Soviet Union and Laos also failed to attend. Moreover, ASEAN's efforts to appear even-

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49 Thayer, 149; Leifer, 116-117.

50 These were the factions led by Prince Sihanouk, Son Sann, and the PRK government of Heng Samrin; the Khmer Rouge was not included.
handed by soliciting the participation of a non-governmental representation from the Phnom Penh regime was blocked by China. Still, the ICK was attended by 92 countries. On the surface, this was a remarkable success for ASEAN diplomacy, and greatly enhanced ASEAN's international profile and prestige. The outcome of the conference, however, graphically illustrated the concrete limits of ASEAN's influence over Southeast Asian security.51

Following its proposal of the previous month, ASEAN tried to make the conference a truly constructive dialogue with Vietnam by proposing the disarming of all Khmer factions before holding internationally-supervised elections in Kampuchea. This plan, however, was opposed by China, with American support. As discussed above, China and the U.S. had their own reasons for perpetuating the Kampuchean conflict. China was determined to follow its policy of attrition against the society and government of Vietnam and, by extension, the Soviet Union. It had no interest in accommodating Vietnamese concerns. The United States tacitly supported China's policy, apparently as part of its own strategy against the Soviet Union.52

The final ICK strategy proposed the following points:

1) An agreement on cease-fire by all parties to the conflict in Kampuchea and withdrawal of all foreign forces from Kampuchea in the shortest time possible under the supervision and verification of a United Nations peace-keeping force observer group;

2) appropriate arrangements to ensure that armed

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51 Leifer, 116-118; Thayer, 149-150; Haas, 116-118.

52 Leifer, 116-117.
Kampuchean factions will not be able to prevent or disrupt the holding of free elections, or intimidate or coerce the population in the electoral process; such arrangements should also ensure that they will respect of the (sic) free elections;

3) appropriate measures for the maintenance of law and order in Kampuchea and the holding of free elections, following the withdrawal of all foreign forces from the country and before the establishment of a new government resulting from those elections;

4) the holding of free elections under United Nations supervision which will allow the Kampuchean people to exercise their right of self-determination and elect a government of their own choice; all Kampucheans will have the right to participate in the elections.\(^{53}\)

The ICK became the legal and moral basis for a settlement of the Kampuchean conflict. However, in practical terms, it was too inflexible to be the true basis of a political resolution. Its failure to require the disarmament of Kampuchean factions rendered it essentially useless at the time it was proposed. On the other hand, it served China's purposes of prolonging the conflict and facilitating its strategy of "bleeding Vietnam white". ASEAN states interested in negotiating an end to the conflict, however, had to find ways around the ICK.

ASEAN's experience in New York clearly outlined the limits of its abilities to affect regional security. Leifer characterizes the outcome of the ICK as a "diplomatic defeat" for ASEAN.\(^{54}\) Without the cooperation of the great powers, it could not steer events in the direction that it found most desirable. Despite its efforts at accommodation, it was stymied by much more powerful actors.

\(^{53}\) Quoted in Thayer, 149-150.

\(^{54}\) Leifer, 117.
The Coalition Government of Democratic Kampuchea (CGDK)

After the ICK, China did accept the need to broaden the base of political resistance to Vietnam. While it would not support the measures to reduce the power of the Khmer Rouge, it realized the risk of losing international support for the anti-Vietnamese forces if the KR's presence was not moderated. Under Singapore's leadership, ASEAN followed up the ICK by increasing its efforts to unite various Khmer opposition forces into a coalition government. In July 1982, the KPNLF and the Armee Nationale Sihanoukiste (ANS), the military arm of a new political movement supporting Prince Norodom Sihanouk, agreed to combine with the Khmer Rouge to form the Coalition Government of Democratic Kampuchea (CGDK). \(^{55}\) ASEAN hoped that the non-communist elements of the CGDK would draw support away from the Khmer Rouge among the Kampuchean refugees and peasantry, leading to the Khmer Rouge's demise. They also hoped that the non-communist factions would qualify for international support that might allow them to gain a military advantage over the Khmer Rouge. This hope proved to be something of a fantasy. The Khmer Rouge and its Chinese sponsor were hardly about to stand by and watch the KR lose its military edge. \(^{56}\)

ASEAN directed its international efforts towards gathering support and credibility for the CGDK. Its diplomacy was very successful, as evidenced by the ever-increasing majorities in

\(^{55}\) China only supported the idea of the CGDK once ASEAN agreed to an arrangement that would protect the interests of the DK in the event of the coalition's dissolution.

\(^{56}\) Thayer, 150-152; Leifer, 123-125.
support of ASEAN's annual UN resolution calling for the withdrawal of foreign forces from Kampuchea.\(^{57}\) Within Kampuchea, the CGDK was less successful. It showed little sign of developing enough popular support to threaten the PRK government. As a military body, the non-communist segments of the CGDK were largely ineffective. Moreover, the CGDK was unable to form a unified command. The Khmer Rouge vigorously maintained its exclusive control over its own areas of operation, and habitually attacked its CGDK allies to keep them off-balance.\(^{58}\)

By the middle of 1984, CGDK military operations, mostly conducted by the Khmer Rouge, had created a high degree of insecurity within Kampuchea. In the latter half of 1984 and into 1985, however, the Vietnam Peoples' Army (VPA) launched a series of offensive initiatives that drove CGDK forces out of their border encampments. The KPNLF and ANS were virtually eliminated as military players; the Khmer Rouge withdrew into the interior of Kampuchea. The Khmer Rouge remained a formidable guerilla force. It continued to enjoy access to sanctuaries in Thailand and an unlimited flow of arms from China. While it could not overthrow the Phnom Penh regime, it could be a considerable obstacle to peace.\(^{59}\)


\(^{58}\) Evans and Rowley, 208-223.

\(^{59}\) Evans and Rowley, 208-220; Thayer, 152-153.
The Resolution of the Conflict

Despite considerable discussion between the involved parties, the Kampuchean situation settled into a deadlock. Between 1984 and 1987, various diplomatic initiatives on the part of ASEAN and other parties failed to break the stalemate. In 1985 ASEAN, through Malaysia, proposed a series of "proximity talks" to bring the different Kampuchean factions together through a neutral intermediary. However, Thailand insisted that the proposal be changed to include Vietnam as one of the contending parties, and not the PRK. This was in keeping with ASEAN's stated position that the Kampuchean conflict was fundamentally about the Vietnamese invasion, and could not be considered a civil conflict. Vietnam refused to accept this modification, and the proposal lapsed.60

During this period, Indonesia became increasingly frustrated with ASEAN's policies, the constraints those policies placed upon its own activities, and its own loss of influence within ASEAN. Thailand was virtually exercising a veto over ASEAN's corporate direction; Malaysia had undergone a change of leadership and was no longer a reliable supporter of Indonesia's perspective within the organization. Indonesia began to pursue some of its own initiatives regarding Vietnam and Kampuchea at the formal and informal levels. Statements by Indonesian officials indicated the country's distinctive security perspective and seemed to undermine ASEAN's united front. Indonesia continued to return to the ASEAN fold whenever it appeared to break ranks, but its actions were

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60 Thayer, 154.
indicative of its growing impatience with the organization. In an
effort to accommodate Indonesia, ASEAN designated it the
organization's "interlocutor of ASEAN" with Vietnam, with the
mission of exploring diplomatic contacts. These intra-mural
tensions were exacerbated by ASEAN's inability to significantly
affect the Kampuchean situation.⁶¹

In 1987, circumstances began to change. At that time, the
major actors began to reassess their positions. The Soviet Union
and China modified their policies, even holding direct talks on
Cambodia in 1988. The Soviet Union and China had been tentatively
exploring ways to improve relations since 1982. The
Vietnam/Kampuchea situation was always a major stumbling block.
Mikhail Gorbachev's rise to power in 1985, and the subsequent
overtures he made to China as part of his larger plan to improve
the Soviet economy through perestroika, made possible constructive
talks on the future of Kampuchea.⁶²

Vietnam, which in 1985 had declared its intention to remove
its forces from Kampuchea by 1990, increased the pace of its
withdrawal in 1988. Soviet pressure played a role in this
accelerated withdrawal. Moreover, the shift in Soviet attitudes
affected the extent to which Vietnam could continue to rely on
Soviet support. Vietnam had its own pressing economic and political
reasons for wanting to get out of Kampuchea. Economically, its

⁶¹ Leifer, 128-132.

⁶² Turley, 177; Thayer, 155-156; Evans and Rowley, 234-244; Muthiah Alagappa,
(1990), 266-271.
Southeast Asian neighbours were leaving it behind, and it was now committed to economic reforms which it could only initiate with outside help. The economic and political consequences of its actions in Kampuchea were having a very concrete effect upon its own development. China cut off aid to Vietnam in 1976; Japan and other Western countries stopped aid after the Cambodian invasion (partly in response to pressure from ASEAN, as well as the United States). The U.S. also followed its established policy of blocking Vietnam's access to aid from international organizations. Though economic restructuring during the 1980s had begun to ease some aspects of Vietnam's economic crisis, the country could not afford to fight a perpetual war.63

Within this rapidly changing environment, ASEAN contributed to the diplomatic process by sponsoring the Jakarta Informal Meetings (JIM) between the disputant factions involved in Kampuchea.64 In July 1987, Indonesia and Vietnam, as representatives of their respective "blocs", agreed to a format for informal discussion that involved breaking the Kampuchean conflict into internal and external dimensions. The internal element would allow the different Kampuchean factions to deal with one another; the external element would allow ASEAN and Vietnam to discuss the international consequences of the existing situation.65 This compromise almost

63 Evans and Rowley, 147-153.
64 Frost, 17-18; Thayer, 156-157.
65 This period of Indonesian-sponsored diplomacy, which preceded the JIM meetings, is referred to as "cocktail diplomacy". For a detailed account of the "cocktail diplomacy" meetings, see Justus M. Van Der Kroef, "Cambodia: The
failed as a result of Khmer Rouge obstructionism, until Prince Sihanouk, the president of the CGDK, took leave from the presidency to hold private talks with Premier Hun Sen of the PRK, in December 1987 and January 1988. The willingness of Sihanouk to apparently abandon the CGDK, which would have caused the collapse of the coalition government and completely delegitimized the Khmer Rouge, galvanized ASEAN, China and the United States into adopting more flexible negotiating positions.66

The Jakarta Informal Meetings (JIM I and JIM II) followed in July 1988 and February 1989, respectively. JIM I reached an agreement among the engaged parties to link the withdrawal of Vietnamese troops from Kampuchea with the cessation of all external aid to all Kampuchean factions. JIM II reaffirmed this connection, but emphasized, as demanded by ASEAN, that the linkage be contingent on finding a comprehensive solution that included an internal settlement. The JIM meetings ended up highlighting the considerable disagreements about the future fate of the Khmer Rouge, postwar governance and power-sharing, particularly among the Kampuchean factions.67

66 Turley, 178. Sihanouk's and Hun Sen's talks ultimately broke down over the issues of the disarming of the Khmer Rouge and the fate of the PRK. Sihanouk then tried to permanently resign from the presidency of the CGDK, but resumed the office after constant pressure from China. See: Evans and Rowley, 280-284. Abdulgaffar Peang-Meth credits this meeting as initiating a true dialogue for peace in the region. See: Abdulgaffar Peang-Meth, "The United Nations Peace Plan, the Cambodian Conflict, and the Future of Cambodia," Contemporary Southeast Asia 14, No.1 (June 1992), 37.

At around this same time, another development occurred which had a profound effect on ASEAN's policies towards Vietnam. In August 1988, Chatichai Choonhaven assumed office as the new Prime Minister of Thailand. Chatichai came to power declaring his intention of turning Indochina from a "battlefield to a trading market." 68 Chatichai represented emerging business interests and intellectual elites which strongly disagreed with Thailand's established policy towards Vietnam. This so-called "New Look Diplomacy" reflected the view that the situation in Indochina was radically different in 1988 than what it had been in 1978. Vietnam was no longer a real threat to the region, especially given the decline of the Soviet Union. Under these conditions, Thailand's interests were best served by pursuing economic opportunities in Indochina, and using Thailand's status as the most economically successful state in the region to its advantage. Thai business desired unfettered access to the resources of Indochina, and also hoped to make Thailand the financial service center of the region. Initially, there was resistance to the "New Look Diplomacy" from within the Thai Foreign Ministry, which had long formulated policy

68 Quoted in Khatharya Um, "Thailand and the Dynamics of Economic and Security Complex in Mainland Southeast Asia," Contemporary Southeast Asia 13 (#3, December 1991), 246. In fact, Thailand's shift in policy towards Vietnam and Cambodia had started under the previous Prime Minister, General Prem Tinsulanond, who had been in power since 1980. During that time, Prem had left foreign policy to Foreign Minister Siddhi Sawetsila, who adopted a hard-line position against Vietnam. In 1987 and 1988, however, Prem's contacts with the new Soviet government convinced him that the Soviet Union was genuinely trying to resolve the Cambodian issue. At this time, the commander-in-chief of the armed forces, General Chaovarit Yongchikhiyudh, viewed the Cambodian conflict as a civil war and made diplomatic overtures to Vietnam and the Soviet Union. Chatichai came to power supporting Chaovarit's initiatives. See: Evans and Rowley, 264-265.
on the assumption that Vietnam was an ever-present threat, which needed to be broken. Factions in the Thai military also presented some difficulties. By November 1989, the Foreign Ministry had come around completely; it declared that the new "business of diplomacy is business." 69

This complete about-face in Thai foreign policy was justified, in part, by the failure of the JIM talks and the apparent inability of established diplomatic means to resolve the Cambodian issue. This view was reinforced by the failure of the July 1989 Paris International Conference on Cambodia (PICC), discussed below. The attitude of the new Thai government was that the diplomatic hardline used with Vietnam had proven both ineffective and out-of-date. Thus, Thailand, for domestic economic and political reasons, completely reversed itself on the questions of Vietnam and Cambodia. It essentially adopted the Indonesian position on the conflict. This reversal, however, took place without any consultation with the other ASEAN states. Therefore, it had the effect of collapsing the appearance of an ASEAN united front. It

69 Quoted in Um, 246. For a time, the Thai Foreign Ministry, under Foreign Minister Siddhi, remained strongly opposed to Chatichai's efforts. It did consider the effect of Thailand's diplomatic shift on ASEAN and Thailand's other allies. Moreover, Thailand's actions attracted threats from the United States as well as condemnation from its ASEAN partners. However, this did not stop Chatichai's initiatives. See: Evans and Rowley, 288-289. According to Haas, the Thai Foreign Ministry under Siddhi actively sabotaged Chatichai's various diplomatic initiatives during late 1989 by quietly refusing to pursue them. See: Haas, 216-217. Siddhi was kept on by Chatichai because he needed Siddhi's political support as part of a coalition government. However, Siddhi was forced to resign in 1990 for domestic political reasons. The new Foreign Minister, Subin Pinkayan, agreed with Chatichai that the war in Cambodia was over, as far as Thailand was concerned, and emphasized economic considerations. See: Haas, 264; Evans and Rowley, 265.
undermined Indonesian diplomacy, which had been trying to maintain this image while also negotiating with Vietnam. More practically, the Thai initiative rewarded the Vietnamese with economic benefits without gaining from them corresponding concessions on Cambodia. The implications of Thailand's diplomatic transformation will be explored further below.  

In January 1989, China and Vietnam conducted the first face-to-face talks in nine years. Vietnam agreed to the complete withdrawal of its troops from Cambodia no later than September 1989, in exchange for the normalization of its relations with China. This Vietnamese promise, however, was contingent on a political solution to the Cambodian problem. On May 8-10, 1989, China and Vietnam reached a "basic agreement" on the "international aspect" of the Cambodian conflict, though they remained far apart on the "internal aspect". This agreement cleared the way for the Soviet Union to normalize relations with China, given that China dropped its previous insistence that the Soviet Union abandon all support for Vietnam before normalization could occur. For Vietnam, the Sino-Soviet rapprochement held out the hope that Chinese-Vietnamese relations could be similarly delinked from events in Cambodia.  

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70 For an analysis of the events and political factors surrounding Thailand's change in policy, see Justus M. Van Der Kroef "Thailand and Cambodia: Between 'Trading Market' and Civil War," Asian Profile v.18,#3 (June 1990),227-238; Evans and Rowley, 263-266; Haas, 262-264.

71 Turley, 179.

72 Ibid.
To the Vietnamese, it appeared that the Cambodian situation was heading toward a settlement mostly favourable to their interests. The detente between the superpowers and ASEAN's desire for regional peace and stability combined with Vietnam's troop withdrawals to create a settlement that would see the elimination of the Khmer Rouge and "the establishment of a zone of peace and cooperation in Southeast Asia for all countries in the region." This did not happen, however, as China and the United States refused to delink an internal settlement in Cambodia from normalization of their relations with Vietnam.

The divisions between the different parties to the conflict were clearly laid out during the Paris International Conference on Cambodia (PICC) in July, 1989. The different external actors were not yet ready to abandon their respective allies in order to force a peace. ASEAN, the United States and China continued to insist on linking the external and internal dimensions of the Cambodian conflict, to force Vietnam to settle on terms more favourable to the Cambodian resistance. Vietnam and the Soviet Union, by contrast, insisted that the conflict's external aspects be dealt with first, in the hope that suspending the provision of arms to the Khmer Rouge in exchange for Vietnam's troop withdrawal would allow the PRK to prevail within Cambodia. It was clear that no side yet had the political will to truly resolve the Cambodian situation. The divisions between the Cambodian factions themselves

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73 Vietnamese Foreign Minister Nguyen Co Thach, quoted in Ibid.

74 Ibid.
remained especially pronounced.75

Following the failure of the PICC, growing consensus developed among the great powers over how to resolve the Cambodian conflict. Starting in January 1990, the United Nations Security Council "Perm-Five" held a series of six meetings. These culminated on August 28, 1990, with the issuing of a five-part document that laid out the program by which the UN would oversee the resolution of the Cambodian conflict. The UN process both committed the great powers to ending the Cambodian situation and provided China with a way to back away from the Khmer Rouge. The United States and the European Community had, by this time, changed their votes on the question of Cambodian representation at the UN. Both were opposed to indirectly supporting the Khmer Rouge. To avoid further isolation, China pledged not to facilitate the Khmer Rouge's return to power by the use of force.76

After the PICC, ASEAN was in "disarray."77 Singapore had taken a very hard-line towards Vietnam and Cambodia, as had Thai Foreign Minister Siddhi, to the dismay of Prime Minister Chatichai. Chatichai continued his own initiatives, however, with the

75 Turley, 180. Evans and Rowley, 293-295. For a detailed account of the negotiations and political maneuvering that went on during the Paris International Conference on Cambodia, see: Haas, 190-208.

76 Turley, 180. The U.S. policy on Cambodia became increasingly confused after the PICC; eventually, it became politically unacceptable at home for the U.S. to continue supporting the Khmer Rouge. See: Hass, 251-257. The European Community, pushed by Italy, agreed in February 1990 to never again vote to support the CGDK as Cambodia's representative at the UN, because of its inclusion of the Khmer Rouge. However, the EC maintained its trade embargo of Vietnam and Cambodia to avoid alienating ASEAN. See: Haas, 220.

77 Haas, 262.
assistance of General Chaovalit, and supported Australian calls for a JIM III. Indonesian Foreign Minister Alatas felt personally responsible for the failure of PICC and upstaged by Chatichai, and was reluctant to continue the effort and expense of staking so much Indonesian diplomacy and prestige on a resolution of the Cambodian situation. The Indonesian Defense Ministry suggested that Indonesia might soon have to embrace the Cambodian government, even if it meant abandoning ASEAN. Alatas was reluctant to convene another JIM, but did eventually call an Informal Meeting on Cambodia (IMC) which took place under PICC auspices and included all of the JIM participants.\textsuperscript{78} After this meeting, however, Jakarta faded from the scene as an active participant in the peace process; the situation was now dominated by the Permanent Five.\textsuperscript{79}

Even as the rest of the world came together on the issue of Cambodia, the Cambodians themselves remained deeply divided. On the surface, it appeared that they were making progress toward peace. Prince Sihanouk and Hun Sen agreed to the establishment of a Supreme National Council (SNC) that would be invested with Cambodian sovereignty in the period before national elections. On September 9, 1990, the competing Cambodian factions agreed in principle to the UN framework for peace and agreed to the

\textsuperscript{78} The IMC met at Jakarta on February 26-28, 1990 and was co-chaired by Indonesia and France. The meeting considered an Australian plan to place Cambodian sovereignty in the UN during a transitional period; this plan had formed the basis for earlier discussions by the Perm-Five. The meeting helped to create a greater commitment to the plan on the part of the participating states, despite being denigrated by the French, who left the delegates feeling that they were insignificant in the face of great power politics. See: Haas, 216-222.

\textsuperscript{79} Haas, 262-268.
establishment of the SNC. Delegates were named to the SNC. Finally, meeting in Paris on December 21-22, 1990, all of the Cambodian factions, including the Khmer Rouge, pledged to accept the Perm-Five "framework document" and accede to UN authority in implementing the document.  

In fact, however, Cambodian acceptance of the Perm-Five settlement and UN authority was highly qualified. The State of Cambodia government (now SOC, formerly known as the PRK) refused to cede administrative control of the state to the UN and still insisted on excluding the Khmer Rouge leadership from political participation. Vietnam supported the SOC on these matters. While Hanoi officially accepted the Perm-Five plan, it also criticized the plan for dealing with internal Cambodian matters and, contradictorily, for not acting to eliminate the Khmer Rouge. Largely out of its continued concern with the Khmer Rouge, Vietnam decided not to pressure the SOC into accepting the UN plan, despite the obvious advantages that would accrue to Vietnam if the Cambodian conflict was resolved. As noted earlier, Vietnam viewed Indochina as a single security unit, and genuinely saw the SOC as the only sure guarantee against a return of the Khmer Rouge. Vietnam could not run the risk that the Khmer Rouge would return to power in Cambodia by controlling Prince Sihanouk if he won the elections. Thus, it continued to support the elimination of the  

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80 For an analysis of the many difficulties associated with the peace plan and the different Cambodian factions, see: Abdulgaffar, 33-46.
Khmer Rouge as a political threat outside of the electoral process.81

The importance of the elimination of the Khmer Rouge to the Vietnamese is indicated by their continued insistence on this point despite their considerable interest in resolving the Cambodian situation. By the end of the 1980s and beginning of the 1990s, the decline and fall of the Soviet Empire in Eastern Europe was having a dramatic effect on Vietnam. Vietnam could no longer depend upon Soviet economic and political support. Soviet aid to Vietnam, which had run at between one and two billion dollars a year for over a decade, dropped to $110 million in 1991.82 Hanoi began a campaign to find new trading partners. To this end, it increased its efforts to delink the Cambodian issue from its relations with other states.

At this time, China was finding itself increasingly isolated within the international community. China and Vietnam were two of the few remaining hard-line socialist states. Thus, events in the socialist world pushed China and Vietnam closer together. The reduction of the Soviet presence in Vietnam mitigated Chinese-Vietnamese tensions. China and Vietnam improved their economic linkages, especially following the withdrawal of Vietnamese troops from Cambodia. Vietnam hoped that China would agree to a formal improvement in relations without a linkage to Cambodia. However, China continued to insist on a favourable resolution to Cambodia

81 Turley, 181-182.
82 Ibid., 182.
before it would normalize relations with Vietnam. 83

Vietnam had more luck in improving its standing with the ASEAN states during this period. Despite the lack of a Cambodian settlement, Vietnam's economic relations with the ASEAN states, particularly Indonesia, Malaysia and Thailand, increased considerably. In November 1990, President Suharto of Indonesia visited Hanoi. The visit culminated in the signing of an accord on economic, scientific and technical cooperation between the two countries. The foreign ministers of Vietnam and Indonesia also made it clear that neither side intended to allow the Cambodian situation to forever dominate their relations. Vietnam also repeated a desire to accede to ASEAN's Treaty of Amity and Cooperation, and to eventually join ASEAN.

Vietnam's dealings with Malaysia were also very productive. Vietnam supported Malaysian diplomatic initiatives for the Southeast Asian region. In March, 1991, Malaysia became the first ASEAN state to open a consulate in Ho Chi Minh City, resumed grant aid that had been suspended since 1978, and promised to help Vietnam develop its oil industry. 84

Of the ASEAN states, Vietnam's dealings with Thailand were most ambitious and strongly reciprocated. In October 1990, Vietnamese Foreign Minister Thach called for a summit meeting between Premier Do Muoi of Vietnam and Prime Minister Choonhaven Chatichai of Thailand. Thailand agreed. During this period, Vietnam

83 Ibid., 182-183.
84 Ibid., 184.
and Thailand were also in the process of discussing numerous economic arrangements and formal treaties. Even the joint development of oil reserves in overlapping territories was on the table. For Thailand, its interest in improved relations with Vietnam was fuelled by its need to export processed and semi-processed goods in exchange for abundant Vietnamese raw materials. Thailand was also well-positioned to serve as a channel for financial resources to Vietnam, and to serve as a source of reconstruction aid to Indochina. Chatichai was overthrown by the Thai military in February, 1991, but even this did not change the general tone of the Thai government towards Vietnam. Other than postponing the summit meeting, the generals maintained most of the previous government's Vietnam initiatives. In March, 1991, coup leader General Suchinda Khongsomphong announced his intention to visit Hanoi.85

Vietnam's overall approach to ASEAN reflected a long-term strategy to wean Vietnam from dependence on any single power and to get around the effects of the American economic embargo. Its goal was to develop economic and political connections with the ASEAN states despite the Cambodian issue. Over time, it hoped to build a bridge from ASEAN into the Asia-Pacific and share in the prosperity of the region as a whole. Vietnam also intended to eventually join ASEAN and participate in whatever influence ASEAN might exercise in international fora. Being part of ASEAN would also allow Vietnam to contribute to efforts to offset China's increasing influence in the

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85 Ibid., 184-185.

The resolution of the international or "external" aspects of the Cambodian situation occurred due to the confluence of a number of factors. During the 1980s, a shift in perspective occurred within Southeast Asia from a preoccupation with regional security, to a more accommodating focus on economic matters. The changing policies of the Soviet Union and China towards one another played a fundamental part in reducing Southeast Asian states' perception of the Cambodian situation as a threat to regional security. No longer was the Sino-Soviet competition being played out in Southeast Asia's backyard. But forces and interests particular to the region were also at work. The removal of Vietnamese troops from Cambodia allowed the ASEAN states to see the Cambodian situation as an obstacle to regional peace and prosperity that was more appropriately ignored if it could not be resolved. Increasingly, Indonesia, Malaysia and Thailand were making it clear that they did not intend to allow the Cambodian problem to prevent them from reaping the benefits of trade with Vietnam. This determination played into Vietnamese hands, but Vietnam itself was genuinely committed to economic reforms designed to gain it access to the burgeoning economies of ASEAN and the Asia-Pacific. Thus, by the time the Paris Peace Treaty was signed on October 22, 1991, no external actor had an interest in keeping the Cambodian situation

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86 Ibid., 185.
The United Nations plan afforded all of the parties external to the Cambodian conflict the opportunity to withdraw from the situation with their prestige and interests intact. The plan reflected the general consensus in the international community that a way had to be found to remove Cambodia as a stumbling block to better relations between the superpowers and within the region. The treaty provided the means by which all the involved parties could claim some kind of victory while placing the conflict back into the hands of the Cambodians. It was also the justification necessary to legitimize doing business with Vietnam.

The surest measure of the resolution of the conflict between ASEAN and Vietnam is Vietnam's decision to join ASEAN in July 1995. On the one hand, this development seems to indicate the true emergence of Southeast Asia as a cohesive regional unit. Vietnam's acceptance into ASEAN signalled the start of the organization's ambitious attempt to incorporate all of the Southeast Asian states by the year 2000. However, the changing relationship with Vietnam

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87 Ibid., 186. The Paris Peace Treaty created the United Nations Transitional Authority in Cambodia (UNTAC) which was given the responsibility of disarming the different Cambodian factions, repatriating Cambodian refugees, and supervising the holding of free and fair elections by summer, 1993. The government of the State of Cambodia remained the primary administrative structure in Cambodia, while Cambodian sovereignty was placed in the Supreme National Council.

88 Ibid., 187.

introduces an element of uncertainty and many different possibilities of development for ASEAN into the future. Responding to Vietnam has been an important factor in forcing the evolution of ASEAN. This may continue; accommodating the socialist regime of Vietnam may require considerable imagination on the part of ASEAN. It is also possible that the motivating threat that ASEAN has needed to grow in the past may now be found outside of Southeast Asia. It is conceivable that Vietnam's presence will reveal both weakness and strength in the ASEAN structure. There is also the possibility that ASEAN's operations have reflected a Malay cultural heritage which may be unable to accommodate the distinct cultural influences of Indochina.  

These are important questions that will be addressed in a later chapter. For now, however, it is necessary to analyze the effect of ASEAN's involvement in the Cambodian situation on the development of the organization itself.

An Analysis of the Effect of the Cambodian Situation On ASEAN

ASEAN's institutional development was clearly enhanced by the organization's experience with the Cambodian invasion. Initially, the individual interests of member states and the need to defend institutional principles forced ASEAN to articulate a coherent corporate position. The need to coordinate policy greatly improved the mechanisms and habits of consultation and cooperation within

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90 The possibility was suggested to me in an interview with Dr. Emmanuel Lallana, Assistant Director of the Foreign Service Institute, Department of Foreign Affairs, Manila, Philippines, March 20, 1995. Dr. Lallana made the point that, insofar as ASEAN does function on the basis of cultural compatibility between its major parts, the introduction of Vietnam into the organization will probably produce significant tensions. The extent to which ASEAN is truly a manifestation of cultural values, however, remains unclear.
ASEAN, and fostered the further evolution of the "ASEAN way". Moreover, ASEAN's increased international profile encouraged the promotion of intra-ASEAN unity. The ASEAN states enjoyed the taste of real international influence and prominence that their role in the Cambodian conflict attracted. They realized that they could only maintain this influence if they continued to act as unified whole. ASEAN came out of the Cambodian experience much more unified than when it began. In addition, ASEAN acquired an international image as an effective and credible regional organization.

It is easy to overstate ASEAN's accomplishments during this period, however. It is true that ASEAN exhibited a high degree of institutional coherence; this is an impressive achievement, especially given the low degree of corporate accomplishment from which it started. Beneath the facade of institutional unity, however, significant disagreements created internal tensions. Moreover, understanding the international context underlying ASEAN's confrontation with Vietnam is essential to understanding ASEAN's effectiveness as an institution. I will examine this latter point, before returning to a discussion of intra-ASEAN divisions.

As noted earlier, ASEAN was the tip of a diplomatic iceberg created to oppose Vietnam's actions in Cambodia and, by extension, the Soviet Union's ambitions in Southeast Asia. Without the diplomatic and military support of the United States and, especially, China, ASEAN would not have been able to oppose Vietnam. The Cambodian invasion would quickly have become a fait accompli, and the ASEAN states would have learned to live with it.
The great powers were essential to ASEAN's ability to become engaged in the Cambodian conflict.

At the same time, the great powers limited what could be accomplished. The International Conference on Kampuchea in 1981 is an excellent example. Neither China nor the United States had any interest in resolving the Cambodian invasion at that time; they essentially sabotaged ASEAN's efforts to create a viable diplomatic solution. ASEAN was powerless to promote its own initiatives if its great power supporters were opposed. A resolution to the Cambodian situation only became possible as the Soviet Union underwent radical reform and moved to mend its relations with China. This altered the logic of the confrontation in the region. As the Soviet Union declined, the nature of the regional threat changed even more. Vietnam was unable to sustain its invasion without Soviet support. By the time of the Jakarta Informal Meetings, all of the external powers involved in Cambodia were looking for ways to resolve the conflict, or at least to remove it as an obstacle to improving their own relations. Under these conditions, ASEAN was able to exercise a limited degree of independent influence. Given the complexity of the situation, even Prince Sihanouk (admittedly capitalizing on his unique position) was able to exert some influence on the proceedings. While ASEAN was able to make a diplomatic contribution at this time, the major events of the situation remained beyond its influence. The Paris International Conference on Cambodia (PICC), while a useful contribution to the resolution of the conflict, still failed. The international aspects
of the Cambodian situation were finally resolved through the actions of the Permanent Five members of the UN Security Council.

ASEAN's diplomacy and institutional effectiveness must be understood from within this context. ASEAN's successful attempts to rally international opposition to Vietnamese actions reflected its own efforts and determination; however, these factors only mattered to a limited degree. China, the United States and the Soviet Union were the players setting the parameters of the Cambodian conflict. Thus, the experience of the Cambodian invasion is not simply an example of ASEAN learning to exercise international influence through institutional coherence; it is even more a lesson about the limits of small powers. At the same time, however, the ASEAN states gained a level of prominence and diplomatic influence that they never enjoyed before, and that was certainly far more than they would have attracted as individual states. Thus, the lesson of the Vietnam experience must be tempered with a certain degree of optimism about ASEAN's effectiveness.

ASEAN's actions during the Vietnam/Cambodian situation also symbolically undermined the ZOPFAN concept. ZOPFAN was meant to assert ASEAN's vision of a regional order free of the interference of outside powers and managed by the ASEAN states. To effectively deal with the threat of Vietnam and the Soviet Union, however, ASEAN took sides in the conflict between the great powers, allying itself with the United States and China. ASEAN demonstrated that it could not manage its regional security environment on its own terms.
ASEAN's response to the Cambodian invasion is also not a clear example of the organization learning the political and diplomatic virtues of unity, as some observers suggest. ASEAN was never as unified as it appeared. Instead, it was divided by divergent strategic perspectives, particularly between Indonesia and Thailand. These tensions were repressed, which was a considerable accomplishment in itself. However, they always remained and became more prominent as the conflict dragged on.

Thailand's diplomatic about-face in 1988 is, perhaps, the most telling event in the history of ASEAN's dealings with Vietnam in Cambodia. Thailand adopted a position in relation to Vietnam which was much closer to the Indonesian position. However, the way in which this was done served to undermine ASEAN unity rather than promote it. Thailand acted on the basis of its own narrowly-defined self-interests. The new government decided that Thailand's strategic and economic interests had changed and acted without consulting its ASEAN partners. This decision underlined a number of important weaknesses within the ASEAN structure, which have profound implications for the future.

Thailand's behaviour must be placed in context: for almost a decade, the Vietnam situation preoccupied ASEAN's institutional activities. As the frontline state, Thailand essentially set the policies that ASEAN followed. It was deeply involved in the processes of consultation and consensus that supposedly characterize the ASEAN way. Yet, on coming to power, the new Thai government ignored ASEAN procedure, gave little thought to the
effects of its actions on ASEAN's unity, and reversed its policies on the issue that was most fundamental to ASEAN's activities. This behaviour indicates that the sense of community that ASEAN supposedly built among its members did not go very deep and was, therefore, much more fragile than it seemed. A change in governing elites within Thailand was all that was necessary to undermine ASEAN's coherence. An important question is whether or not this lesson still applies today. The intra-regional commitment to ASEAN may be dependent on far too few people within the member states. As leadership changes occur, as new elites demand to be heard within the member states, ASEAN may face a growing crisis of unity.

Equally important is the fact that Thailand acted out of a narrow understanding of its own particular economic and political interests. It did not identify its own interest with that of the larger region. This was an important verification of the claim that ASEAN, the organization, is still essentially a tool of its member states. Their commitment to the organization is contingent on how well it serves their interests and the extent to which they recognize common interests.

The sense that the region as a whole must stand together still does not extend beyond the foreign policy elites in the different states. Even among these elites, some express the view that ASEAN's stand on Cambodia was the organization's "finest hour" and is not likely to be repeated. ASEAN's position on Cambodia, they argue, was sustained by the common interest of the member states in protecting an important regional principle. Such a unifying
regional issue, however, may not arise again. Moreover, one academic suggested to me that the Vietnam invasion of Cambodia was too issue-specific to be the foundation on which ASEAN could build cooperation. The invasion taught ASEAN's members how to cooperate over a particular problem, but that has not led to a more general supportive regional framework. Whether or not these assessments are correct remains to be seen.91

Conclusion

ASEAN learned a great deal from its concerted opposition to Vietnam's invasion of Cambodia. Its members discovered the diplomatic benefits of being part of a larger organization. Institutionally, ASEAN grew considerably during the invasion period. The habits of cooperation and consultation became a much more ingrained part of the ASEAN process. However, ASEAN also ran solidly into its own limitations. Its ability to affect regional security was constrained by the parameters set by the great powers. ASEAN needed to call on outside support in order to be an effective and credible opposition to Vietnamese aspirations. In the end, even the extent to which ASEAN itself was a coherent organization is questionable. The ASEAN states' common interest in opposing Vietnam was strained by conflicting perceptions of long-term regional security and their own economic and political interests. Thailand's diplomatic about-face, in many ways, undermined the processes of consultation and consensus-building that are ASEAN's most important

91 Interview with an academic analyst in Bangkok, Thailand, January 25, 1995; Interview with academic analyst in Jakarta, Indonesia, February 22, 1995.
achievements.

ASEAN did not emerge from its Vietnam-Cambodia experience as a unified and coherent international institution. Attempts to build on ASEAN making this assumption fail to appreciate the true nature of the divisions - and the unity - that underlies the regime.
CHAPTER FIVE: THE SECURITY ENVIRONMENT OF CONTEMPORARY SOUTHEAST ASIA

Introduction

Southeast Asia has entered the post-Cold War era faced with many new possibilities and opportunities. However, the political relationships between states in the region is less predictable now than during the Cold War. Regional stability and security are dependent upon many factors that seem beyond ASEAN's ability to affect, notably the reduction of the American military presence in the region, the emergence of a more assertive China, and the possibility of a remilitarized Japan. In addition, tensions between the ASEAN states themselves, submerged by the unifying threat of the Cold War, may reassert themselves.

The next two chapters explore the important actors and issues that are shaping the Southeast Asian security environment in the modern era. These are the factors which are setting the context for ASEAN's transformation in the post-Cold War period. This chapter describes and analyzes intra-ASEAN relations. It examines the important question of whether or not there is an arms race occurring between the ASEAN states. It also evaluates ASEAN's standing as a "security community".

The final conclusion is that there is not an intra-ASEAN arms race taking place. Nonetheless, there are real tensions between the ASEAN states that, given the right circumstances, can lead to conflict. More importantly, this analysis underlines the nature and limitations of intra-ASEAN cooperation, a fact that has serious implications for the future. The ASEAN states do constitute a
significant diplomatic community, but the organization does not, as yet, embody a strong regionalism.

Is There an Intra-ASEAN Arms Race?

Is there an arms race occurring in post-Cold War Southeast Asia? Analysts and journalists have focused considerable attention on the perception that the ASEAN states are spending far more on modern weaponry today than during the Cold War.¹ Many observers fear that some of this buying spree may be attributable to intra-ASEAN tensions, as well as a more general reaction to the changing security environment. In fact, most analysts who have studied this

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question do not believe there is an intra-ASEAN arms race. While they do not dismiss the reality of intra-ASEAN tensions, they attribute the rapid acquisition of weaponry to a number of factors, including the perception of a security threat from extra-ASEAN actors.

The Military Buildup Within ASEAN

This section will review, on a country-by-country basis, the raw arms purchases of the ASEAN states over a twelve-year period. The discussion focuses on the ASEAN states' naval and air forces, which are attracting the greatest share of regional defense budgets and are most relevant to international tensions in Southeast Asia.

Brunei

Brunei's armed forces are directed primarily towards the defense of the Sultanate's offshore oil and natural gas resources. Brunei's last major arms purchases were in the late 1970s. These were three missile-armed fast attack craft and 36 Exocet missiles. Since then, the military has focused on building its command and control capabilities. In 1988, existing ships were modernized. In 1989, Brunei reportedly tried to acquire three corvettes, but the deal fell through. It has since tried to purchase corvettes again, but priority has been given to the acquisition of 16 British Hawk jet trainer/light fighter attack aircraft. These planes were delivered in 1993, with an option for 6 more. Brunei has ordered

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three 1000-ton offshore patrol vessels from Britain, with delivery expected in the late 1990s. Small landing craft may also be considered. If Brunei does eventually acquire corvettes, it will turn a constabulary force into one with offshore combat capability. A major limitation on Brunei's armed forces, however, is its small population. The armed forces employ more than 13% of Brunei's total manpower, but the navy was still only able to find 50 officers and 530 men in 1991.  

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<td>Army</td>
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<tr>
<td>Men</td>
<td>3650</td>
<td>3200</td>
<td>3400</td>
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<tr>
<td>Battle tanks (light)</td>
<td>16</td>
<td>16</td>
<td>16</td>
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<tr>
<td>Navy</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Patrol/coastal combatants</td>
<td>6</td>
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<td>9</td>
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<td>Air Force</td>
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<tr>
<td>Combat aircraft</td>
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<td>-</td>
<td>4</td>
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<td>Armed helicopters</td>
<td>21</td>
<td>6</td>
<td>7</td>
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Table 5.1: Brunei's Armed Forces

*Indonesia*

The Indonesian Armed Forces (ABRI) has focused its modernization efforts on improving its ability to deploy around the

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3 Selin, 7-8.

Indonesian archipelago. The navy has received most of the new military equipment. From 1983-1993, ABRI acquired:
- 9 frigates. Three of these were from Britain, and six from the Netherlands. All were built in the 1960s. The British ships were upgraded before their transfer to Indonesia in 1985-86. The Dutch vessels were last modernized in the late 1970s, and have been outfitted with Harpoon missiles by the Indonesians.
- since 1982, 14 large patrol craft, of various classes. Eighteen coastal patrol boats were built in Indonesia between 1987-1990; four more are on order.
- in 1988, two mine warfare vessels.
- in December 1992, 39 former East German vessels. These include: 16 corvettes, built around 1981-85; 12 amphibious landing ships (1976-1979); 9 coastal minesweepers (1971 -onwards) and two support ships. All these ships were refurbished in German shipyards and transferred to Indonesia by the end of 1994.

Indonesia possesses Southeast Asia's only submarines. These are two Type-209 submarines from Germany, commissioned in 1981 and upgraded between 1986-1989. Indonesia plans to purchase two more submarines. It has probably suspended plans for the acquisition of 23 new frigates in favour of the German corvettes. Six new medium-range maritime patrol aircraft are also on order.

Indonesia purchased 12 F-16 combat aircraft in 1989, and is considering the acquisition of 42 more. In 1993, it ordered 24 British Hawk jets for delivery in 1995, and is considering 16
more.5

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<td>284,000</td>
<td>270,900</td>
<td>299,200</td>
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<td></td>
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</tr>
<tr>
<td>Men</td>
<td>210,000</td>
<td>215,000</td>
<td>202,900</td>
<td>235,200</td>
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<tr>
<td>Battle Tanks (light)</td>
<td>93</td>
<td>100</td>
<td>125</td>
<td>355</td>
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<tr>
<td><strong>NAVY</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Submarines</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Principal Surface Combatants</td>
<td>9</td>
<td>15</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>Patrol/Coastal Combatants</td>
<td>28</td>
<td>29</td>
<td>45</td>
<td>57</td>
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<tr>
<td>Maritime Aircraft</td>
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</tr>
<tr>
<td>-Combat Aircraft</td>
<td>8</td>
<td>15</td>
<td>18</td>
<td>24</td>
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<td>-Armed Helicopters</td>
<td>10</td>
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<td><strong>AIR FORCE</strong></td>
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<tr>
<td>Combat Aircraft</td>
<td>68</td>
<td>70</td>
<td>80</td>
<td>77</td>
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Table 5.2: Indonesia’s Armed Forces6

**Malaysia**

Malaysia initially tried to improve its military standing in 1979. The planned purchases of numerous weapons systems, however, were suspended due to recession in the 1980s. Economic improvements in the 1990s have enabled Malaysia to resume its military modernization programs, with particular emphasis on air and naval power. In June 1993, Malaysia announced plans to buy 18 Russian

5 Ibid., 15-17.

Mig-29 fighters and 8 American F/A-18D Hornet fighter/ground attack aircraft. The Hornets were expected in 1996. The MiG-29s are the most advanced in their class. They will include medium-range missiles and short-range infrared guided missiles. The latter are

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<td>99,700</td>
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<tr>
<td><strong>ARMY</strong></td>
<td></td>
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<tr>
<td>Men</td>
<td>80,000</td>
<td>90,000</td>
<td>90,000 (reducing to 85,000)</td>
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<tr>
<td>Battle Tanks (light)</td>
<td></td>
<td>26</td>
<td>26</td>
<td>26</td>
</tr>
<tr>
<td><strong>NAVY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal Surface Combatants</td>
<td>2</td>
<td>4</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Patrol/Coastal Combatants</td>
<td>38</td>
<td>37</td>
<td>37</td>
<td>37</td>
</tr>
<tr>
<td>Maritime Aircraft (helicopters)</td>
<td>-</td>
<td>6</td>
<td>12</td>
<td>12</td>
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<tr>
<td><strong>AIR FORCE</strong></td>
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<tr>
<td>Combat Aircraft</td>
<td>32</td>
<td>58</td>
<td>77</td>
<td>79</td>
</tr>
</tbody>
</table>

Table 5.3: Malaysia's Armed Forces

considered the most sophisticated in the world. Malaysia also ordered 28 British Hawks, for delivery in 1993-1995.

The Royal Malaysian Navy (RMN) has ordered two guided missile-capable frigates from Britain, with delivery expected in 1996. It then plans to buy 24 offshore patrol vessels (OPVs), possibly from Australia. The first of an initial package of four was scheduled

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8 According to Selin, these Russian missiles are considered to be a decade ahead of current American Sidewinder missiles. Ibid.
for delivery in 1997. These OPVs will possess surface-to-surface and surface-to-air missiles, and will replace the existing 1960s-era patrol boats. The OPVs underline the RMN's desire to move from coastal patrol duties to ocean-surveillance capabilities. Four new maritime patrol aircraft also entered service in 1994.

Malaysia has long expressed a desire to acquire submarines. The RMN regards submarines as a high-tech deterrent to China's numerically-superior (but technologically-inferior) forces in the South China Sea. However, acquiring submarines at this time would undermine the RMN's efforts to upgrade its other capabilities. Thus, plans for submarines have been shelved for the time being, though Malaysia continues to send personnel to Europe for training in submarine operations and maintenance. Malaysia is also considering the purchase of second-hand submarines.9

The Philippines

The Philippines possesses the most obsolete naval force in ASEAN. The major surface vessels are American warships of the World War II era, which lack the weapons, sensors, and other modern electronic equipment necessary for them to function beyond internal waters.10 In 1991, the Navy began modernizing its forces, albeit with less funding from the government than it had requested. Between 1989 and 1990, many old ships were retired and sold for scrap. The Navy has procured six large patrol craft. Two were

9 Ibid., 20-21.

10 Selin notes that the Philippines' lack of modern vessels may cost as much as $2 billion a year in illegal fishing as well as a lesser amount of goods to piracy.
commissioned in 1990 and 1994, respectively; the other four are to be added to the fleet at the rate of one every 18 months, to the year 2000. The Navy has ordered three gun-armed fast patrol boats from Australia and three more equipped with Exocet missiles from Spain; these were due in 1996. Up to 35 coastal patrol crafts have

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<tbody>
<tr>
<td><strong>Total Armed Forces</strong></td>
<td>104,800</td>
<td>147,500</td>
<td>106,500</td>
<td>107,500</td>
</tr>
<tr>
<td><strong>ARMY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>60,000</td>
<td>65,000</td>
<td>68,000</td>
<td>68,000</td>
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<tr>
<td>Battle Tanks (Light)</td>
<td></td>
<td>28</td>
<td>28</td>
<td>41</td>
</tr>
<tr>
<td><strong>NAVY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal Surface Combatants</td>
<td>7</td>
<td>3</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Patrol/Coastal Combatants</td>
<td>88</td>
<td>102</td>
<td>33</td>
<td>54</td>
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<tr>
<td><strong>AIR FORCE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Combat Aircraft</td>
<td>92</td>
<td>50 (+12 in store)</td>
<td>53</td>
<td>43</td>
</tr>
<tr>
<td>Armed Helicopters</td>
<td>-</td>
<td>60</td>
<td>106</td>
<td>104</td>
</tr>
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Table 5.4: The Philippines' Armed Forces

also been ordered. Eight have been delivered from the United States; the remainder are to be built in the Philippines. The Navy has purchased one logistic support ship from China, with an option on a second. Two logistic support transport ships have been commissioned for amphibious operations. More ambitious plans for warships appear to lack the necessary funding.

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The Philippines Air Force presently possesses only two combat-capable aircraft; the June 1991 eruption of Mount Pinatubo significantly damaged many of the Philippines' fixed wing aircraft. The Air Force is buying 18 Italian trainer/light attack aircraft; 18 Czech strike trainers; 15 American Bronco counter-insurgency aircraft, along with 22 light combat helicopters and 18 attack helicopters. Manila is also considering the acquisition of five Mirage fighters from Belgium. The Air Force's 10-year plan calls for 27 fighters, along with new radar systems and surface-to-air missiles, but the Philippines probably lacks the ability to fund this wish-list. Fuel is a major difficulty for all the military services, undermining their operational mobility.\footnote{Ibid., 25-26.}

**Singapore**

Singapore's defence budget is set at 6% of its GNP. This means the military has had considerable resources with which to build since 1983. Singapore purchased six missile corvettes and 12 inshore patrol craft, all delivered in 1990-1991. It also acquired four unarmed surveillance helicopters in 1987, and was considering buying four more. In 1994, four maritime patrol/anti-submarine warfare (ASW) aircraft became operational. On order are twelve missile fast attack craft and four Swedish minehunters. Singapore is considering purchasing more offshore patrol vessels and is interested in acquiring submarines.

The Singapore Air Force purchased eight F-16s in 1990 and an indeterminate (but much larger number) of A-4 Skyhawk fighters,
upgraded with new engines and avionics. In 1995, Singapore was scheduled to purchase up to 13 more F-16s, though it has been considering a slightly different fighter instead. Singapore also plans to acquire new radar to enhance its C³I (command, control, communication and intelligence) capability, and allow it to monitor traffic along the Malacca Straits and into the South China Sea.

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<td>55,500</td>
<td>55,500</td>
<td>55,500</td>
<td>53,900</td>
</tr>
<tr>
<td><strong>ARMY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>45,000</td>
<td>45,000</td>
<td>45,000</td>
<td>45,000</td>
</tr>
<tr>
<td><strong>NAVY</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Patrol/Coastal Combatants</td>
<td>30</td>
<td>26</td>
<td>30</td>
<td>19</td>
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<tr>
<td><strong>AIR FORCE</strong></td>
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<tr>
<td>Combat Aircraft</td>
<td>106</td>
<td>151</td>
<td>193</td>
<td>137</td>
</tr>
<tr>
<td>Armed Helicopters</td>
<td>-</td>
<td>-</td>
<td>20</td>
<td>20</td>
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Table 5.5: Singapore's Armed Forces

**Thailand**

The 1979 Vietnamese Invasion of Cambodia prompted Thailand's military to build up its ability to fight conventional land battles. From 1983-1993, Thailand tripled its inventory of tanks.

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13 Selin notes that Singapore actually purchased the F-16s in 1988, but left them in the United States for two years because it did not want to create a "misunderstanding" among its neighbours by being the first to introduce such advanced aircraft to the region. This concern is indicative of the existence of significant tensions between Singapore and some of its ASEAN neighbours. Selin, 28, footnote 104.

It purchased 106 Stingray light tanks from the United States; 44 of these later developed hull cracks. It also bought Chinese armoured personnel carriers, tanks and artillery. During the 1980s, the Thai navy purchased two large and sophisticated American missile corvettes; three maritime aircraft from the Netherlands; two German minehunters; two 3500 ton amphibious landing ships, based on a French design and constructed in Thailand; three fast attack craft and six large patrol craft. The navy also began planning for the creation of a submarine force and the enhancement of the naval airwing and the overall ability of the naval forces. During the 1980s, the main air force purchase was 18 F-16 fighters.

During the 1990s, Thailand initiated a program to make its military both leaner and more technically proficient. New equipment is expected to emphasize anti-tank, anti-aircraft and communications systems. Thailand no longer purchases Chinese weapons, but is looking to the U.S. to supply its needs, which include tanks. Russia has offered to provide troop transport helicopters, and is willing to accept half-payment in barter.

In the 1990s, the Navy continues to grow. In 1991-1992, four Chinese frigates were purchased, along with three British ASW corvettes. Two more Chinese frigates with improved designs are to be built in Thailand. Other warships under order include:

- two Chinese guided-missile frigates, which will be fitted with Western technology after delivery.
- two U.S. frigates, on lease in 1994 and 1996; two more may be acquired.
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<td>235,000</td>
<td>256,000</td>
<td>295,000</td>
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<tr>
<td><strong>ARMY</strong></td>
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</tr>
<tr>
<td>Men</td>
<td>160,000</td>
<td>166,000</td>
<td>190,000</td>
<td>150,000</td>
</tr>
<tr>
<td>Battle Tanks</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>- Heavy</td>
<td>55</td>
<td>95</td>
<td>153 (+ over 50 in store)</td>
<td>203 (+ 50 in store)</td>
</tr>
<tr>
<td>- Light</td>
<td>144</td>
<td>134 (+340 in store)</td>
<td>510</td>
<td>510</td>
</tr>
<tr>
<td><strong>NAVY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal Surface Combatants</td>
<td>6</td>
<td>5</td>
<td>9</td>
<td>12</td>
</tr>
<tr>
<td>Patrol/ Coastal Combatants</td>
<td>29</td>
<td>53</td>
<td>63</td>
<td>60</td>
</tr>
<tr>
<td>Maritime Aircraft</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Combat Aircraft</td>
<td>15</td>
<td>22</td>
<td>29</td>
<td>61</td>
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<tr>
<td>- Armed Helicopters</td>
<td>0</td>
<td>8</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td><strong>AIR FORCE</strong></td>
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<tr>
<td>Combat Aircraft</td>
<td>188</td>
<td>143</td>
<td>156</td>
<td>212</td>
</tr>
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</table>

Table 5.6: Thailand’s Armed Forces\(^{15}\)

- an 11,485 ton Spanish helicopter carrier, scheduled to be commissioned in 1997. This carrier can carry up to 10 vertical/short take-off and landing (V/STOL) aircraft or 10 Sea King helicopters.
- three maritime reconnaissance and ASW aircraft.

Thailand is also negotiating for 30 American fighter bombers,

and still hopes to acquire submarines. The navy continues to train submarine personnel and is planning a docking facility for up to three attack submarines. Thailand is reportedly discussing purchasing Kilo-class submarines from Russia. Thailand is also planning to acquire more patrol craft, minesweepers, helicopters and surveillance aircraft, and may even pursue a second helicopter carrier.

The Thai Air Force has ordered 30 light attack aircraft from the Czech Republic and six Italian transport aircraft. Thailand is also trying to purchase 10 American fighters through Spain, for delivery in 1997. The Air Force plans to buy 18 more American F-16s and Russia may be trying to interest Thailand in its MiG-31 altitude intercepter. Rounding off Thailand's planned acquisitions are 100 German main battle tanks.16

Vietnam

At one time, Vietnam possessed the third largest standing army in the world. Today, it has been forced to downsize considerably, though it still possesses a large military, which is backed by militias consisting of between 4-5 million people.17 However, despite still possessing an impressive military on paper, Vietnam's military is extremely limited. Poor maintenance and training mean that the military's capabilities are questionable. Hanoi has tried to modernize some of its existing vessels with modern weapons, but

16 Ibid., 32-35.

the age of the ships and the lack of spare parts has made this difficult. Now that Vietnam is no longer the object of trade sanctions, however, its military abilities will likely improve.18

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<tr>
<td><strong>Total Armed Forces</strong></td>
<td>1,220,5000</td>
<td>1,252,000</td>
<td>857,000</td>
<td>572,000</td>
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<tr>
<td><strong>ARMY</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Man</td>
<td>1,200,000</td>
<td>1,100,000</td>
<td>700,000</td>
<td>500,000</td>
</tr>
<tr>
<td>Battle Tanks</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Heavy</td>
<td>1,900</td>
<td>1,760</td>
<td>1,300</td>
<td>1,300</td>
</tr>
<tr>
<td>-Light</td>
<td>600</td>
<td>450</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td><strong>NAVY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal Surface Combatants</td>
<td>4</td>
<td>7</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Patrol/Coastal Combatants</td>
<td>37</td>
<td>62</td>
<td>55</td>
<td>52</td>
</tr>
<tr>
<td><strong>AIR FORCE</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Combat Aircraft</td>
<td>287</td>
<td>250</td>
<td>240</td>
<td>196</td>
</tr>
<tr>
<td>Armed Helicopters</td>
<td>36</td>
<td>30</td>
<td>28 (many in store)</td>
<td>33</td>
</tr>
</tbody>
</table>

Table 5.7: Vietnam's Armed Forces19

**Assessment and Evaluation: Is There an Intra-ASEAN Arms Race?**

The argument that the ASEAN states are engaged in an arms race is unsupported by the evidence. Whatever is happening in Southeast Asia is not, technically, an arms race. A military buildup is going on in the region, but it is attributable to the combined effects of a number of factors. While intra-ASEAN tensions are a major

18 Selin, 40.
19 Ibid. 1996 figures are from The Military Balance 1996-97, 200-201.
contributing factor, they are not enough, in themselves, to account for the buildup.

Part of the difficulty in assessing the ASEAN "arms race" is the difficulty in gaining information about the military situation of the states in the region. The ASEAN states are quite secretive about their military expenditures. As a result, information provided on this subject by international research institutions is unreliable and may vary considerably. Such assessments can, at best, be suggestive of overall trends rather than definitive. Moreover, even if there is a consensus among observers that most of the ASEAN states have significantly increased the resources they expend on their military capabilities in the post-Cold War era, questions of what this means, how to explain the increases, and whether or not they are even significant and consistent enough to matter, remain unanswered.20

Acharya measures defence expenditures in three ways: current and constant prices, as a percentage of gross-domestic product (GDP), and on a per capita basis. Measured in their national currencies, the defence budgets of the ASEAN states are generally rising. However, when measured in terms of constant U.S. dollars, some states show declines in military spending over some years; there is not a consistent pattern of growth. Nonetheless, taking ASEAN as a whole, there is a definite upward trend in defence

spending between 1987 and 1991.\textsuperscript{21}

Measuring by GDP, the picture is also unclear. While the overall level of actual military spending in ASEAN has risen, the rate of spending as a percentage of GDP has actually declined, especially in the cases of Indonesia, Malaysia and Thailand. This decline in military spending probably reflects the increased GDP base of the economically prosperous ASEAN states. Measured on a per capita basis, defence expenditures reflect the intra-regional disparities of wealth and population. With the exception of Singapore, the per capita defence expenditures of the ASEAN states have generally declined.\textsuperscript{22} These indicators support Anwar's assertion that the ASEAN military buildup may not be excessive. Anwar points out that, while ASEAN states have definitely increased their military procurements, they have not done so at the expense of other economic developments; "military expenditure is still within the bound of economic rationality".\textsuperscript{23}

Anwar argues that, despite their rapid acquisition of military hardware, the ASEAN states are not in an arms race with any other state, least of all one another. Technically, an arms race requires

\begin{footnotesize}
\begin{enumerate}
\item Acharya, 11-16. Acharya bases his assessments on data presented by the Stockholm International Peace Research Institute (SIPRI) and the International Institute for Strategic Studies. He notes that there is sometimes a considerable discrepancy in the data between these two institutes. SIPRI pegs ASEAN defence expenditures as increasing by 7.4\% in constant U.S. dollars between 1987-1991. IISS found a higher rate of increase: 14.4\%.

\item Acharya, 16-17.

\end{enumerate}
\end{footnotesize}
that each side acquire weaponry with the objective of gaining a strategic advantage over the other.\textsuperscript{24} The gradual emergence of a near-security community within ASEAN and the fact that the same ASEAN states supposedly in competition also conduct bilateral security exercises are facts that point to another interpretation:

...what has been happening in ASEAN in the past few years is not so much an arms race, which can only occur between potential enemies, as an "interactive" acquisition between friendly ASEAN states where the military planners tend to adopt the "worst case scenario" approach.\textsuperscript{25}

Nonetheless, "interactive" acquisitions may be arms races by any other name. While armed conflict between ASEAN states may be highly improbable at this time, it is not impossible, a view apparently shared by ASEAN military planners, if by no one else.\textsuperscript{26}

What is happening in Southeast Asia is an "arms buildup": an upward spiral in defence spending that is "generated by factors other than inter-state rivalry."\textsuperscript{27} Acharya explains the ASEAN arms build-up as the result of interactive, semi-interactive and non-interactive factors. The interactive factors are the unresolved territorial disputes and conflicts over maritime borders that do exist between many ASEAN states.\textsuperscript{28} To differing degrees, these

\begin{footnotesize}
\begin{enumerate}
\item Anwar, 16-17. Acharya agrees with this argument. Acharya, 3.
\item Anwar, 16-17.
\item Acharya, 3.
\item These include disputes between: Malaysia and Singapore over Pedra Branca island; Malaysia and Indonesia over Sipadan and Ligitan islands; Malaysia and Thailand over their common land border; Malaysia and Brunei over the Limbang
\end{enumerate}
\end{footnotesize}
disputes are sources of tension within ASEAN. Historically-based ethnic and political tensions also still play a role in some intra-ASEAN relations. Singapore still plans its defence strategies on the basis of the assumption that Malaysia and Indonesia are its primary sources of threat. The most delicate military relationship within ASEAN is between Malaysia and Singapore, though Malaysia has also been involved in tense maritime and territorial territory in Sarawak; Malaysia and the Philippines over Sabah. Thailand and Malaysia have a maritime dispute over the Gulf of Thailand. Of fifteen maritime boundary disputes in the South China Sea, six are between ASEAN countries, with Malaysia in dispute with all of its ASEAN partners. Acharya, 27-28.

Singh emphasizes intra-ASEAN tensions as the single most important factor accounting for the ASEAN arms buildup, though this factor does not account for the buildup by itself. Bilveer Singh, "ASEAN's Arms Procurements: Challenge of the Security Dilemma in the Post Cold War Era," Comparative Strategy 12 (1993), 212-213.

In addition to border disputes, a number of ethnic rebellions in different ASEAN states have produced intra-ASEAN tensions. Conflict in the Indonesian province of Aceh has caused refugees to flow into Malaysia. The Philippines long suspected Malaysia of supporting Muslim rebels in the Philippine province of Mindinao. Thailand also accused Malaysia of sympathizing with Muslim separatists in Southern Thailand. Amitav Acharya, "A Regional Security Community in Southeast Asia?," Journal of Strategic Studies (September 1995), 181.

N. Ganesan, "Testing neoliberal institutionalism in Southeast Asia," International Journal 50, No.4 (Autumn 1995), 793. This observation is borne out by one interview I conducted in Malaysia. The government official I interviewed made it clear that Malaysia is keenly aware of Singaporean military acquisitions and vice versa. In this case, he expressed his belief that Singaporean helicopter acquisitions were targeted at Malaysia. Over the years, Singaporean-Malaysian relations have been strained by a number of incidents. In 1986, Malaysia objected to the visit of Israeli President Chaim Herzog to Singapore, claiming that the visit was an insult to Muslims. In 1989, a Singaporean spy-ring was discovered operating in Malaysia, leading to a suspension of joint military exercises between the two countries. At least one of the spy-ring's objectives was to obtain information on Malaysian arms purchases from Britain. Also in 1989, Malaysia initially objected to Singapore's offer of port facilities to the United States because Malaysia felt it was the object of a Singaporean attempt at deterrence. Singapore practices a policy of excluding ethnic Malay citizens from senior posts in the Singapore Armed Forces, a policy that implies it considers Malaysia a source of threat. Acharya, An Arms Race, 29; Selin, 56.
conflicts with the Philippines and Thailand.\textsuperscript{32}

However, these intra-ASEAN tensions alone are not serious enough to explain the military build-up in the region. Other interactive factors are important. One such factor is "bargaining power" in the event of low-level conflicts within the region.\textsuperscript{33} ASEAN states do not want to be at a strategic disadvantage with each other when discussing intra-ASEAN disputes. Another factor is imitation and prestige. Sophisticated new weapons are a source of prestige, and the ASEAN states may acquire similar weapons as their neighbours simply so that they will not be left behind.\textsuperscript{34}

Several semi-interactive and non-interactive factors help to explain the arms build-up. First among these is a continuing concern for internal security. During the late 1980s and early 1990s, while the ASEAN states were switching their militaries towards an external orientation (especially towards dealing with maritime disputes), many ASEAN states were still battling internal insurgencies. Arms purchases, especially in the case of Indonesia, reflected this reality as well.\textsuperscript{35} In recent years, the Philippines

\textsuperscript{32} In April 1988, Malaysia arrested 49 Filipino fishermen working in disputed waters; the Philippines responded with a military mobilization. In December 1991, Thai and Malaysian forces exchanged gunfire on their common land border. Acharya, An Arms Race, 29; Selin, p.56.

\textsuperscript{33} Acharya, An Arms Race, 30.

\textsuperscript{34} Ibid.; Singh, 217-218.

\textsuperscript{35} Acharya, An Arms Race, 31; Singh, 217.
has managed to settle its insurgency problems. Now, only Indonesia remains as having major concerns in this regard, at least for the moment.

Another major consideration is the desire for greater self-reliance in the face of less-reliable external security guarantees. With the reduction of American forces in the region, and the corresponding fear of an American lack of commitment to their security, the ASEAN states are trying to replace and modernize obsolete defence systems in order to better deal with an uncertain security environment. Regional balance-of-power concerns are connected to the desire for self-reliance. The ASEAN states, to differing degrees, are apprehensive about the future military roles of China, India and Japan in Southeast Asia. The arms build-up is a partial response to this uncertainty. ASEAN states may be arming for the future, with the intention, perhaps, of pooling their resources to counter any extra-regional threat, should the need arise.

Technology transfers are also important contributing factors to the military build-up in Southeast Asia. Defence acquisitions are increasingly tied to joint ventures and other arrangements designed to transfer technology and provide other economic benefits

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37 Acharya, An Arms Race, 31-32; Singh, 216; Selin, 39-40,42-43.

38 Acharya, An Arms Race, 33-35; Anwar,26-27; Singh, 209-211;Selin, 41-42.
to the ASEAN states.\[^{39}\]

Supply-side pressures must be taken into account. The end of the Cold War meant the loss of traditional markets for arms. It also meant that weapons-supplier states needed to sell weapons in order to keep giant defence industries operational. This has resulted in sophisticated first and second-hand weaponry becoming available on the world market for cut-rate prices. The newly-wealthy states of Southeast Asia are natural customers for such products. The former Soviet bloc has emerged as a significant competitor to the Western world in the arms market in Southeast Asia.\[^{40}\]

Another major consideration is the effect of economic prosperity on arms purchases. The ASEAN states are now buying new weaponry because many of them can afford to do so; this may change if they experience economic downturns. Also, intra-military service rivalry and corruption play a role in the arms buildup. In many ASEAN states, the military plays an important political role, and military purchases reflect both attempts to placate the military and intra-service politics.\[^{41}\] Political leaders and others are also capable of economically benefitting from arms purchases, and have

\[^{39}\] Acharya, An Arms Race, 37-38; Singh, 214; Selin, 46-47. Keeping abreast of modern military hardware, with the objective of developing the expertise to expand rapidly, is another reason for acquiring sophisticated weaponry.

\[^{40}\] Acharya, An Arms Race, 38-39; Singh, 214.

\[^{41}\] For example, in Thailand, naval-spending may reflect the Thai navy's ambivalent support of the Army's crackdown on pro-democracy supporters in May 1992. Additional spending may have been a way to buy the Navy's acquiescence. Acharya, An Arms Race, 40.
Finally, the ASEAN states have acquired greater maritime responsibilities. All states claim their 200 nautical-mile Exclusive Economic Zones (EEZs) and have extended their territorial waters to 12 nautical miles from shore, as permitted by the 1982 United Nations Convention on the Law of the Sea (UNCLOS). These expanded claims frequently overlap with one another. Now that the ASEAN states generally have internal insurgency under control, they are turning their attention towards patrolling and controlling their maritime claims. Moreover, the increasing importance of maritime traffic to the economic well-being of the region has created further incentives for the ASEAN states to assert their sovereignty. This requires that they have sophisticated, modern naval capabilities.

Even if ASEAN was engaged in an internal arms race, it may not be as dangerous as it appears. Another factor that must be considered when evaluating the threat of an ASEAN arms race is how capable the ASEAN states are of maintaining the weaponry that they purchase. It is one thing to spend money on highly sophisticated gadgets; it is something else to have the basic infrastructure and technical knowledge necessary to keep such weaponry operative. Viewed from this perspective, the threat of an intra-ASEAN arms race seems far less worrisome, at least in the short-term. J.N. Mak notes the critical difference between purchasing military

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42 Ibid.; Singh, 216-218; Selin, 44-46.
43 Selin, 43-44; Singh, 215.
"hardware" and actually improving the conventional military "capability" of a state:

The ASEAN defense build-up is more than merely the acquisition of glamorous, high-profile, high-tech weaponry. A qualitative judgment of the relative effectiveness of the ASEAN armed forces is difficult to make. Purchasing a weapons system is perhaps the easiest part of any weapons-management program. It is considerably more difficult to make the right fundamental choice, and it is even harder to integrate, maintain and operate a weapons system efficiently and effectively in the face of sophisticated opposition."  

Mak tries to assess the ASEAN states' military capabilities beginning in 1979, when the ASEAN countries first began to redirect their militaries away from counter-insurgency warfare to conventional warfare. Three parameters affect conventional warfare capability: equipment, readiness and sustainability. Force readiness involves intangible qualities which are impossible to quantify, such as training, skills levels, operator efficiency and leadership qualities. Basic education skills in the different countries are another important factor affecting force readiness because they contribute to a "maintenance culture". In this area, Singapore's well-educated population is much better able to utilize and support new military equipment than, for example, the peasant-based conscript army of Thailand. Modern conventional warfare also involves utilizing electronic warfare, an aspect that is usually kept secret from the public and, therefore, difficult to evaluate. Support abilities also need to be considered: transport, logistics and ammunition holdings are essential to sustain a military

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action. The absence of a "maintenance culture" appears common to all of the ASEAN states, with the exception of Singapore. The bottom-line is that much more goes into creating an effective military than simply obtaining dangerous weapons. 45

Most of the ASEAN states have had difficulty integrating relatively straightforward modern equipment into their armed forces. Hardware purchased in the early 1980s, in response to Vietnamese actions in Cambodia, is only now coming into service. Main battle tanks (MBTs) and armoured fighting vehicles (AFVs) purchased by Thailand and Malaysia in 1982 took years to integrate. One of the problems faced by these systems was lack of spare parts. Maintaining weapons and ensuring that they operate as planned during combat is a very difficult undertaking. 46

Individual assessments of the ASEAN states' militaries is even more telling. The Thai Armed Forces, particularly the Army, have not exhibited much ability in the field. Poor command and control, tactical intelligence, and logistical problems are but a few of the difficulties encountered by the Army during its limited combat experiences. It also has not demonstrated much expertise with its

45 Mak, 20.

46 Mak, 20-21. Mak quotes a report on the Argentine performance against the British during the Falklands/Malvinas War by Rear Admiral James Linder. Despite possessing the most sophisticated weaponry available, Argentina lost the conflict, according to Linder, because of "maintenance and personnel training deficiencies as well as inadequate logistical and communications capabilities"..."Argentina lacked the industrial and technological sophistication that would have made its small war a victory. Its forces lacked the maintenance and operational skills essential to the conduct of high-intensity, limited conflict." While Linder may be overstating the case, its technical inefficiency was probably a major contributing factor to Argentina's poor military performance.
existing equipment.\textsuperscript{47} The military is taking steps to correct these shortcomings, and to build a more professional, less political army, but that will still be a long-term project.

The Indonesian Armed Forces (ABRI) has made only incremental upgrades in its weapons. ABRI remains focused on ensuring the internal stability and security of Indonesia. ABRI has taken a very pragmatic approach to weapons acquisition, purchasing the weapon systems it feels it needs to accomplish its goals. However, this approach has resulted in a wide variety of equipment, making maintenance a problem. ABRI has attempted to address this problem by rationalizing its munitions and standardizing its weapon systems, but its lack of a "maintenance culture" makes this difficult. Thus, Indonesia is unable to sustain military action for very long.\textsuperscript{48}

The Malaysian Armed Forces (MAF) has limited conventional warfare capability, largely because of resource constraints and a lack of conventional warfare experience. In terms of equipment, the MAF has a history of buying prototypes and a wide variety of systems, making maintenance difficult.\textsuperscript{49} The Royal Malaysian Air Force (RMAF) has been criticized for purchasing very different kinds of fighters for defensive and offensive purposes. Critics

\textsuperscript{47} The Thai military may have damaged light tanks (Stingrays) purchased from the U.S., by using the tanks to "jump". Of 106 Stingrays purchased, 44 developed cracks in their hulls. The Thai gunners were also unable to hit a stationary target during a live-fire demonstration with a Stingray. Mak, 21; Selin, 33.

\textsuperscript{48} Mak, 22.

\textsuperscript{49} For example, Malaysia purchased 186 SIBMAS Fire Support Vehicles - the only sale of the vehicle that the Belgian manufacturer has made. Mak, 24.
fear that this approach will complicate maintenance. There is also a potential problem with personnel. Malaysia's educational standards have steadily improved over the years, but many of the brightest young men are going into the economic sectors rather than the military. In the short-term, it appears that Malaysia should be able to fairly effectively operate its complex new weaponry, though how long it would be able to sustain a conflict is uncertain.

The Royal Brunei Armed Forces (RBAF) is too small to be very important, though it is now acquiring an ability to monitor Brunei's Exclusive Economic Zone. The Armed Forces of the Philippines (AFP) is still very oriented towards counter-insurgency warfare, and has a very minimal conventional warfare capability. As noted earlier, the Air Force has only two combat-capable aircraft; the Army probably has not conducted exercises above battalion-level since the 1970s. The Navy is in particularly bad shape. Half of its ships were due to be scrapped in 1995, yet it needs many more resources to effectively patrol the Philippines' EEZ, let alone act as part of a conventional force. China's recent attempt to claim Mischief Reef in the Spratly Islands have spurred the Filipino government to direct more funds towards the Navy, but this may not be sustainable.

If the Philippines stands at one end of the conventional military spectrum within Southeast Asia, Singapore stands at the other. On paper, the untried Singapore Armed Forces (SAF) is very impressive. The SAF is a well-trained offensive force, reflecting
Singapore's "poison shrimp" defensive strategy. The SAF makes good use of armor and artillery; it has sophisticated reconnaissance and surveillance capabilities. The Air Force, Singapore's first line of defence, trains with the most advanced air forces in the region, as well as the U.S. It also is equipped with "smart" weapon technology. To be certain that it can sustain its armed forces during combat, Singapore is developing its own defence industry. Singapore's declining birthrate, and the corresponding reduction in the size of its military, means that it must put more effort into utilizing sophisticated weapons technology to provide protection.

Overall, the ASEAN military build-up has a number of different dimensions. As the preceding discussion has indicated, the build-up cannot be attributed to any one cause; it is the result of a confluence of significant factors. The most significant of those factors is probably an overarching sense of uncertainty about the regional security environment and the role and intentions of the powerful regional actors. However, intra-ASEAN tensions are also a very significant factor and cannot be ignored. These tensions and their possible effects will be explored in greater detail below. However, by itself, the sense of threat that the ASEAN states pose to one another is not enough to motivate the regional arms build-up.

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50 The "poison shrimp" strategy is designed to make Singapore so unpalatable that its larger neighbours will be unable to swallow it.

51 Panitan Wattanayagorn and Desmond Ball, "A Regional Arms Race?," Journal of Strategic Studies (September 1995), 156.

52 Mak, 22.
Moreover, whatever concerns the ASEAN arms build-up reflects, the probability of sustained military conflict in the region is not very great, simply because of the present technical limitations of the region's different armed forces.\textsuperscript{53}

**ASEAN As A Security Community**

The ASEAN states enjoy extensive social and political interactions and also engage in numerous bilateral military arrangements and, sometimes, joint military exercises.\textsuperscript{54} Despite these interactions, however, ASEAN is not quite a Deutschian "security community". Acharya draws on Deutsch's work to define a "security community" as having the following characteristics:

a. strict and observed norms concerning non-use of force, with long-term prospects for war avoidance.

b. no competitive arms acquisitions and war-planning within the grouping.

c. institutions and processes (formal or informal) for the pacific settlement of disputes.

d. significant functional interdependence, integration

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\textsuperscript{53} Selin notes that "(o)f all Southeast Asian procurement programs, Thailand's is the least explainable, or most unsatisfactorily explained..." Selin, 52. Thailand's force acquisitions seem out of proportion to the actual threat that it faces. Moreover, its purchase of a helicopter carrier greatly increases its potential power projection capabilities. The carrier may be explained as a prestige item, but the kind of aircraft Thailand purchases for this platform will be most indicative of its intentions. V/STOL aircraft such as Harrier jets will greatly increase Thailand's ability to "...do things rather than just to prevent others from doing them." Selin, 52-53.

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\textsuperscript{54} I discussed the range of intra-ASEAN security arrangements in Chapter Three. For a full account of these arrangements, see Amitav Acharya, *A Survey of Military Cooperation Among the ASEAN States: Bilateralism or Alliance?* Occasional Paper #14(Toronto: Centre for International and Strategic Studies, May 1990); Amitav Acharya, "Defence Cooperation and Transparency in Southeast Asia," forthcoming in *Arms Trade, Transparency and Security in Southeast Asia*. Singh warns against exaggerating the importance of this security cooperation. He argues that the low-level of intra-ASEAN military cooperation is a good measure of ASEAN's lack of trust. Military cooperation, he argues, only occurs in non-sensitive areas. Singh, 213.

219
and co-operation. 55

ASEAN possesses many of these characteristics on the surface. How deeply they affect ASEAN behaviour is less clear. The ASEAN states seem strongly committed to the non-use of force. On the other hand, intra-ASEAN tensions have contributed to the ASEAN arms buildup, even if they are not decisive factors in themselves. In accordance with the "ASEAN Way", ASEAN has dealt with its internal conflicts by putting them aside or addressing them bilaterally, outside of ASEAN's framework. Either way, ASEAN has not allowed them to stand in the way of political cooperation. Nonetheless, the issues still exist and do run the risk, however small, of becoming active problems in the future, under different circumstances.

As an instrument for the "pacific settlement" of disputes, ASEAN has an indirect effect. Again, the ASEAN way is designed to avoid and work around conflict, not resolve it. This has proven effective within ASEAN, but it also indicates the limitations of what the organization can accommodate. This may be indicative of the fragility of ASEAN's structures. ASEAN does have a conflict resolution mechanism but it has never been utilized.

Finally, ASEAN is clearly not an interdependent or integrated economic organization. This may change in the future, but economic interdependence is not presently a foundation on which to build an ASEAN security community.

The significance of the fact that ASEAN is not a security community is that this increases the potential for internal

conflict. ASEAN's cooperative endeavours and confidence-building measures were most important during the Cold War, when the ASEAN states were responding to an obvious threat. With the end of the Cold War, many analysts are concerned that the various territorial disputes and traditional suspicions that were submerged by ASEAN's activities will reappear and create problems within the institution. The fear of an intra-ASEAN arms race, however overblown, reflects this concern.

Mak expresses the view that the dynamics of ASEAN's military buildup, combined with existing internal tensions, could lead to military conflict within ASEAN. The ASEAN states may be arming, in part, in response to potential threats from external actors - most notably China, but also Japan and India. However, he argues that the ASEAN states actually have no real hope of "balancing" against the major external powers, and they recognize their limitations in this regard. Taken as a whole, ASEAN possesses far less military might than any of the major powers that might affect the region. Moreover, ASEAN lacks the internal cohesion to operate as a single military unit, so the prospect of "balancing" external actors in

56 See: Ganesan, 789-790; J.N. Mak, "The ASEAN naval build-up: implications for the regional order," The Pacific Review 8, No. 2 (1995), 305-311. For a completely opposite point of view, see: Bunn Nagara, "The Notion of an Arms Race in the Asia-Pacific," Contemporary Southeast Asia 17, No. 2 (September 1995), 186-206. Bunn argues that there is are no arms races occurring in the Asia-Pacific and that the fear of military and political stability in the region is largely the product of alarmist interpretations of perfectly reasonable military acquisitions. Bunn also believes that Western media and scholars are promoting these alarmist views for their own ends. Bunn does demonstrate the difficulties of interpreting military expenditure data. However, fears of military buildups and instability have not been invented by Western commentators; they are voiced by regional experts and political leaders as well.
Southeast Asia is already unrealistic.\textsuperscript{57} The ASEAN states are involved in "contingency planning" based on scenarios that involve lower-level threats, such as piracy, illegal immigration, and threats that might emanate from other regional actors, including the other members of ASEAN. Because the ASEAN states are engaged on a lower-level of military interaction, they are, in Mak's assessment, all "potential competitors precisely because they are all playing in the same league".\textsuperscript{58} Thus, the ASEAN naval build-up has the greatest potential impact on the internal balance of ASEAN itself.

Mak emphasizes the aspect of the ASEAN arms build-up that is driven by a genuine sense of uncertainty regarding each other.

"(P)lanning for contingencies against neighbours and fellow members of the grouping is something which the ASEAN states cannot directly and openly articulate. Yet it remains an important consideration behind the current arms build-up."\textsuperscript{59}

The danger of contingency planning is that there is no clear boundary between taking steps that are reasonable and prudent as opposed to actions which are potentially threatening to others, and which might provoke a hostile response. While the current ASEAN arms build-up is not a classic arms race, it does have the potential to become more. A considerable defence capability is being created within Southeast Asia without any clear rationale or purpose. Given the uncertainty in the region, it is possible that

\textsuperscript{57} Mak, "The ASEAN naval," 305-318.

\textsuperscript{58} Ibid., 318.

\textsuperscript{59} Ibid., 319.
the ASEAN states will find themselves in a tense situation, armed to the teeth, and uncertain of how to avoid greater conflict.60

This scenario is plausible, but it is also very much a worst-case scenario, and is not likely to occur unless ASEAN is first well on the way to disintegration. The ASEAN states have made definite progress in their relationships. They may not constitute a security community, but they have improved their level of communication and interaction. A sure sign of progress is the fact that Malaysia and the Philippines have engaged in the exchange of defence-related information, logistic support, and training, something that the territorial dispute over Sabah had made impossible until recently.61 In addition, Indonesia and Malaysia have agreed to send their dispute over the Ligitan and Sipadan Islands to the World Court. This may be another indication that belonging to ASEAN is pushing its member states towards the resolution, rather than just the avoidance, of their conflicts. Either way, it suggests that a complete communications breakdown would first need to occur before ASEAN states would become engaged in a serious, uncontrollable military conflict. Even inadvertently-triggered hostilities should be containable as long as ASEAN functions.

A possible flaw in Mak's argument is the notion that the ASEAN states cannot balance against their regional adversaries, particularly China. In the long-term, this is certainly true. In

60 Ibid., 320.

the short-term, it is not as obvious. As I shall discuss in the next chapter, China's naval power, at present, is not enough for it to comfortably assert itself in the South China Sea territorial disputes. At least for the moment, it is plausible to argue that some of the disputant ASEAN states may be able to militarily counteract Chinese power in the region. Thus, the notion that ASEAN is building up a powerful arsenal with nothing to direct it against is not necessarily true.

Conclusion

The evidence indicates that ASEAN is not experiencing an internal arms race. The ASEAN states are increasing their military capabilities but, for the most part, these increases are explicable by a combination of interactive, semi-interactive and non-interactive factors. Nonetheless, there is the possibility that the military buildup in the region can pose a danger to ASEAN's continued viability in the future. This danger is exacerbated by the fact that ASEAN does not constitute a "security community". The possibility of military conflict within ASEAN over territorial and other disputes is still present. Concern with the military acquisitions and strategic intentions of their fellow ASEAN states has played a role in pushing ASEAN's arms buildup. Some analysts express the fear that enhanced capabilities may cause the ASEAN states to become less accommodating towards one another; suspicions created by enhanced military capabilities may sour regional relations. Thus, conflict by accident becomes more plausible.

These are all possible scenarios, albeit not very likely. At this point in the discussion, it is important to recognize that intra-ASEAN tensions do exist, and are having a slight effect on the security environment of the region. These concerns, while they should not be overrated, are contributing to the uncertainty of the regional environment. Dealing with these potential conflicts is a task that ASEAN will need to undertake in the post-Cold War era.
CHAPTER SIX: THE ROLES OF EXTERNAL ACTORS IN SOUTHEAST ASIA

Introduction

Southeast Asia has attracted the attention of external players throughout its long history. The roles that these actors have played is absolutely fundamental to understanding how the region has evolved and where it may be going. The following discussion will examine the roles of the United States, Japan and, especially, China in shaping the new security environment. Of particular interest to this project is how ASEAN relates to these different powers and is interpreting the changing political environment.

The United States and its series of bilateral security relationships have been the foundation of the security system in the Asia Pacific for the past 45 years. The end of the Cold War undermined the rationale for these arrangements, however, and has encouraged an American military pullback in the region. The Asian states are uncertain of the United States' commitment to their security. In addition, the possibility of American withdrawal may create a power vacuum that regional powers - notably Japan and China - may feel compelled to fill. This could lead to an unpredictable realignment of power in the Asia Pacific.

Asian fears of Japan as an assertive military power are based on historical memories of Japanese militarism during World War II. For the Koreas and China, their experience of Japanese aggression goes back even further. While many of these fears may appear overblown and inapplicable to the present-day context, they must be taken into account. If Japan cannot convince its neighbours that it
can be trusted as a military force, it will not be able to attain the status of a military power without destabilizing the region.

The bulk of the discussion in this chapter centres on China as the source of greatest uncertainty in the region. I examine China's military buildup and the question of how the states of the region perceive China, and vice versa. I conclude that China is probably not a short-term threat to Southeast Asia. At the moment, China needs regional political and economic stability if it intends to continue to prosper. The only plausible situation under which China would become a direct threat to Southeast Asia in the foreseeable future is if internal weaknesses and political conflict cause China to fracture or create incentives for aggressive nationalist behaviour. On the other hand, China is probably a long-term problem for the ASEAN states. China aspires to be a great power and to enjoy the influence and deference to which a great power is entitled. In the long-term, a strong China will probably dominate Southeast Asia and ASEAN. That will likely not happen for many decades to come, however.

The discussion does not consider the influence of Russia or India. In the case of Russia, this is because it presently has very little political presence in the Asia Pacific, and does not enter the short-term strategic calculations of the regional states. On paper, Russia still maintains a formidable military force in the region, but its Pacific fleet is in poor condition and often lacks the fuel to go to sea. The Pacific states do expect Russia to eventually reassert itself as a regional power, but not for the
foreseeable future.¹

India is a rising power and may well become a rival to China in the South China Sea.² Nonetheless, India is another potential problem for the future; for the present, India's regional aspirations have little effect on the politics of the region, and cannot help to explain the central question of why ASEAN is transforming itself in the post-Cold War period.

The objective of this chapter is to provide a detailed picture of the major factors contributing to uncertainty in post-Cold War Southeast Asia. ASEAN is evolving in an environment shaped by these forces. My major concern is to describe this environment. A description and examination of how ASEAN is dealing with these environmental forces is the subject of the next chapter.

The United States in Southeast Asia

The United States has played a fundamentally important role in creating and maintaining stability in the Asia Pacific. In the uncertain environment of the post-Cold War era, most Asian states - even China - want the U.S. to maintain its presence in the region. Without the U.S., Asians are afraid of each other, and the possible destabilizing arms races and political tensions that historical suspicions, grievances and unresolved conflicts may create. However, the United States is in the process of trying to redefine


its relationship with Asia. It may be not be capable of playing the balancing role that Asians want it to assume.

In 1969, Richard Nixon articulated the "Guam Doctrine". This policy placed greater responsibility for the internal security of Asian states into the hands of Asians. Since that time, the countries of Southeast Asia have regarded the decline of American influence in the region as inevitable. Throughout the 1970s, with the end of the Vietnam War and the emergence of Communist Indochina, this expectation was borne out, though the American influence remained stable throughout the 1980s, in response to Vietnamese actions.

In the post-Cold War era, U.S. fiscal restraints and altered perceptions of threat both within and without the U.S. have meant the reduction of the United States' presence in the Southeast Asian security environment. Even though the United States insists that it will maintain a formidable presence in the region, its desire to exercise authority even as it reduces its military forces has undermined its credibility. Moreover, the appearance of a drifting American foreign policy in regards to Asia has exacerbated the situation.³

The American security structure in the Asia Pacific is based

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upon the "San Francisco system": a series of treaties aligning the United States to various Asian states in an effort to contain communism. 4 The U.S. bases its future security strategies on the maintenance of this system. However, some analysts have expressed significant doubts as to the viability of the San Francisco system in the post-Cold War environment.5

Despite the stated ideals of ZOPFAN, most ASEAN states remained dependent upon U.S. security links throughout the 1970s and 1980s to ensure their own security. The unofficial ASEAN-U.S. security relationship deepened during the 1980s, in response to the Vietnamese invasion of Cambodia. During this period, the United States maintained formal military ties with both Thailand and the Philippines. Clark Air Force Base and the Subic Bay naval facilities in the Philippines were the Americans' main means of projecting force in Southeast Asia.6

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4 The "San Francisco system" consists of bilateral security treaties, all signed in San Francisco. These treaties are: The Mutual Security Treaty (MST) with Japan; the Mutual Defence Treaty (MDT) with the Philippines; and the Australia-New Zealand-U.S. (ANZUS) Accord. All of these were signed in 1951. South Korea (1953) Taiwan (1954, abrogated when the U.S. and China normalized relations), and Thailand (1962, the Rusk-Thanat communiqué) were later added to the system. The U.S.-Japan MST was revised in 1960. See: Douglas T. Stuart and William T. Tow, A US Strategy for the Asia-Pacific, Adelphi Paper No. 299 (London: International Institute for Strategic Studies, December 1995), 4-5; Michael J. Green and Benjamin L. Self, "Japan's Changing China Policy: From Commercial Liberalism to Reluctant Realism," Survival 38, No.2 (Summer 1996), 38.

5 The following discussion and critical analysis is largely based upon Stuart and Tow. For a complete description of the various American military strategies that have been proposed by the Pentagon since the end of the Cold War, see Martin L. Lasater, The New Pacific Community (Boulder: Westview Press, 1996).

6 Tim Huxley, Insecurity in the ASEAN Region (London: Royal United Services Institute for Defence Studies, 1993), 21. For a comprehensive account of U.S.-ASEAN security relations through to the end of the Cold War, see Muthiah Alagappa "U.S.-ASEAN Security Relations: Challenges and Prospects," Contemporary Southeast
Singapore's relationship with the U.S. was less direct. Along with Malaysia, its participation in the Five-Power Defence Arrangement with the United Kingdom, Australia and New Zealand—all American allies—created an indirect security connection. After the Vietnamese invasion of Cambodia, the Singaporean leadership pressed the U.S. to make a firm commitment to the security of the region. Throughout the 1980s, U.S. ships and aircraft were frequent visitors to Singapore.\(^7\) Malaysia's desire to maintain its non-aligned and pro-Islamic image meant that it was more circumspect in revealing its extensive military connections with the U.S., but these did exist.\(^8\)

By the end of the 1980s, the end of the Cold War and budgetary restraints caused the United States to reassess its strategic deployment in Southeast Asia. The US did not regard the maintenance of bases in the region as necessary to its ability to project force in Southeast Asia. This new doctrine was cemented by the eruption of Mount Pinatubo in the Philippines in July 1991, which destroyed Clark Air Force base. The US showed little interest in rebuilding the facility. The Philippine Senate's rejection of a "Treaty of Friendship, Cooperation and Security", which would have allowed the US to remain at Subic Bay for another decade, meant the end of the permanent US military presence in the Philippines. The

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Asia 11, No.1 (June 1989), 1-39.

\(^7\) Huxley, 22.

\(^8\) Ibid.
American military power had helped to maintain regional stability, so the prospect of an American withdrawal from Southeast Asia worried all of the ASEAN states. By the end of the 1980s, ASEAN no longer considered the Vietnamese invasion of Cambodia and the related Soviet-Vietnamese alliance to be the significant external security threats they once were. However, the prospect of Chinese expansionism and other issues were already emerging as security concerns for the future. To differing degrees, the ASEAN states took steps to encourage continued American engagement in Southeast Asia.\textsuperscript{10}

Singapore significantly expanded its defence relations with the United States. Starting in 1989, it allowed more visits by American warships and combat aircraft, then signed a Memorandum of Understanding (MoU) with the U.S. which allowed the stationing of American military personnel in Singapore. In 1992, the Singaporean government approved the transfer of the US Navy's logistic headquarters from the Philippines to Singapore. Brunei and the United States also began working towards the signing of a MoU concerning American military access to the Sultanate.\textsuperscript{11}

A military relationship with the United States was a sensitive topic in Malaysia and Indonesia. Even these states, however, were

\textsuperscript{9} Ibid., 22-23.

\textsuperscript{10} Ibid., 23.

\textsuperscript{11} Ibid., 24; Amitav Acharya, \textit{A New Regional Order in South-East Asia: ASEAN in the Post-Cold War Era}, Adelphi Paper No. 279 (London: International Institute for Strategic Studies, 1993), 57-58.
forced to acknowledge the value of the American presence. In September 1991, the Malaysian government offered to expand defence cooperation with the U.S., in the event that the Americans were forced to abandon Subic Bay. By the end of 1992, Malaysia had agreed to service American ships at Malaysian facilities, was openly acknowledging past military agreements with the U.S., and had increased the frequency of joint military exercises. In Jakarta, the Suharto government had long been informally aligned with the West, out of both economic self-interest and a fear of communism. In the uncertain strategic environment of the 1990s, the government made that alignment clearer by engaging in joint military exercises with the U.S. and allowing American ships access to an Indonesian government-run shipyard.\textsuperscript{12}

Thailand and the United States continued to enjoy a close military relationship, though that relationship was strained at times by domestic and international political differences. In the case of the Philippines, the Mutual Defence Treaty with the U.S. remained in effect, and the U.S. was promised access to Philippine bases. Philippine President Ramos urged the United States to remain militarily engaged in Southeast Asia, and joint exercises between the two states continued.\textsuperscript{13}

The efforts of the ASEAN states to keep the U.S. involved in the region underlie the perception that the U.S. may not be reliably engaged in the Asia Pacific. Containing communism is no

\textsuperscript{12} Huxley, 24; Acharya, 57.

\textsuperscript{13} Huxley, 25.
longer the unifying regional issue that it once was. The relationship between the United States and its Asian allies is now heavily conditioned by economic and political disputes. How, where and if American power can be utilized in this new environment is unclear - especially, it seems, to the United States.

Following the Cold War, the United States had no clear sense of how to deal with the Asia Pacific. The Bush Administration insisted on maintaining the San Francisco system as the foundation for American regional security relationships and was unreceptive towards calls for new, multilateral security arrangements. Its strategic policy was shaped by military budgetary cutbacks. The U.S. created military strategies which were meant to maintain U.S. military dominance in the Asia Pacific at a much lesser cost.\textsuperscript{14} However, these strategies were not credible. The U.S. set itself military goals that could not be met, given the resources it was actually willing to invest in the region.\textsuperscript{15} The United States' lack of strategic vision and apparent inability to adapt to changing circumstances undermined Asians' confidence in the U.S. regional commitment.

The Clinton Administration was more open to multilateral

\textsuperscript{14} The Bush Administration's plans called for the withdrawal of 15,000 American military personnel in 1990, then a further reduction to approximately 100,000 American personnel stationed in Asia by 1995. Around 6\% of total American forces would remain deployed in the Asia Pacific. Stuart and Tow, 8,10. See Table 1 for a detailed representation of the American force withdrawal.

\textsuperscript{15} The Bush plan essentially called for the U.S. to rapidly deploy forces into areas of regional conflicts, then support these forces with reserves in situations of protracted conflict. However, the conclusion of outside analysts was that the actual budgetary and force allocations needed to make this strategy work were not available. Stuart and Tow, 10-11.
initiatives than the Bush regime. The new Administration's objectives in Asia, however, were soon revealed as contradictory and ill-defined. The President seemed to have little personal interest in Asian affairs, especially when contrasted with his involvement in Europe. The U.S. did articulate a policy of "enlargement" with Asia which focused on expanding "the community of market democracies." However, Asians rejected this initiative as an example of cultural imperialism and political interference. The American policy of "engagement" was later introduced as an approach to working with regional allies to prevent the development of security threats. However, it was also mostly contingent on the San Francisco system.

According to Stuart and Tow, American policy in Asia insists on maintaining the San Francisco system when the conditions for that system no longer exist. There is no clear, unifying threat to justify this alliance system. The United States does not possess the economic or political resources to dominate the Asia Pacific; domestic problems and demands for budgetary cutbacks undermine the U.S. ability to be a hegemonic power. At the same time, the Asian states are much more economically powerful than in the past, and increasingly confident of their own status. The relative distribution of power - including military power - in the region is changing. The U.S. must develop an approach to Asia which both

16 Ibid., 11-12.
17 Pollack, 2.
18 Quoted in Stuart and Tow, 12.
recognizes the United States' relative decline, the emergence of new powers, and the vital American interests that are at stake in Asia.  

It appears that the U.S. is slow to learn or adapt to change. Moreover, signs of American relative decline have helped to fuel economic tensions between the United States and Asian countries, particularly Japan. There is the possibility that the American-Japanese MST may be held hostage to economic and nationalistic disputes between the two countries. The undermining of the American-Japanese security relationship, which is the backbone of security in the region, would have profound effects on the larger Asia Pacific. Without the presence of a definite threat against which to balance, however, there are legitimate concerns that American politicians and public will be unwilling to play the complicated diplomatic games necessary to create a regional balance of power. The more the U.S. militarily withdraws from Asia, the less its influence in the region.

The United States plans to gradually reduce its deployment in East Asia, locating its forces in Japan and South Korea. At the same time, however, it intends to maintain a force level sufficient to reassure its allies in the region. The American government plans to remain active in East Asia both militarily and diplomatically,

19 Ibid., 17-20.

and has promised to station about 100,000 military personnel in

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<td>502</td>
<td>-</td>
<td>6498</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Air Force</td>
<td>25,000</td>
<td>3489</td>
<td>-</td>
<td>21,511</td>
<td>-</td>
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<tr>
<td></td>
<td>Joint billets</td>
<td>16,000</td>
<td>560</td>
<td>-</td>
<td>15,440</td>
<td>700</td>
<td>14,740</td>
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<tr>
<td>KOREA</td>
<td>Army Personnel</td>
<td>44,400</td>
<td>6987</td>
<td>-</td>
<td>37,413</td>
<td>6500</td>
<td>30,913</td>
</tr>
<tr>
<td></td>
<td>Navy (shore-based)</td>
<td>32,000</td>
<td>5000</td>
<td>-</td>
<td>27,000</td>
<td>-</td>
<td>27,000</td>
</tr>
<tr>
<td></td>
<td>Marines</td>
<td>400</td>
<td>-</td>
<td>-</td>
<td>400</td>
<td>-</td>
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</tr>
<tr>
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<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>PHILIPPINES</td>
<td>Army Personnel</td>
<td>11,500</td>
<td>1987</td>
<td>-</td>
<td>9513</td>
<td>-</td>
<td>9513</td>
</tr>
<tr>
<td></td>
<td>Navy (shore-based)</td>
<td>14,800</td>
<td>3490</td>
<td>11,310</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td></td>
<td>Marines</td>
<td>200</td>
<td>-</td>
<td>200</td>
<td>Relocated</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Air Force</td>
<td>5000</td>
<td>672</td>
<td>900</td>
<td>4328 elsewhere</td>
<td>5882</td>
<td>1000(a)</td>
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<td></td>
<td>Sub-total</td>
<td>109,200</td>
<td>15,250</td>
<td>11,310</td>
<td>83,640</td>
<td>7200</td>
<td>76,440</td>
</tr>
<tr>
<td>SUB-TOTAL</td>
<td>Afloat/forward deployed</td>
<td>25,800</td>
<td>2818</td>
<td>5882</td>
<td>1000(a)</td>
<td>1000(b)</td>
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<tr>
<td>TOTAL</td>
<td></td>
<td>135,000</td>
<td>109,440</td>
<td>102,240</td>
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</table>

Table 8.1: Phased U.S. Troop Reductions in the Asia-Pacific

Asia for "the foreseeable future." (See Table 8.1) Further strain in the American-Japanese relationship may test these plans. Perhaps more likely, the potential reunification of North and South Korea would lead to the immediate withdrawal of 36,000 American personnel

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21 This table is taken from Stuart and Tow, 9.

from Asia, a sudden change in regional power dynamics that would further disengage the U.S. from the region and feed the perception of a power vacuum.

The ASEAN states fear that the U.S. will ultimately limit its regional activities to the diplomatic sphere. Moreover, even if the U.S. remains active militarily in Southeast Asia, there are real reasons to question how far it will go to maintain the security of the region. The continued U.S. presence has reassured Japan, and prevented it from seeking to protect its own interests in the region. But the ASEAN states also want the United States to act as a deterrent to Chinese expansionism, something it is clearly reluctant to do. The United States has said that it will oppose the use of force by any party in resolving the Spratly Islands dispute, but it has also made it clear that there is a limit to what it can do if fighting does break out over the disputed area. This kind of statement does not reassure the ASEAN states concerned about the level of American commitment to Southeast Asia. It suggests that the U.S. will act to protect its interests, but that does not necessarily mean it will act to defend the interests of the ASEAN states.  

23 Huxley, 25-26. The Spratly Islands conflict will be discussed in greater detail below.

24 Interestingly, J.N. Mak argues that another reason for the ASEAN states wanting the U.S. to remain engaged in the region is so that its presence can deter intra-ASEAN conflict. See: J.N. Mak, "The ASEAN naval build-up: implications for the regional order," The Pacific Review 8, No.2 (1995), 318. Sheldon Simon argues that, in fact, the U.S. would be reluctant to become involved in any intra-ASEAN conflict, and argues that regional stability is ultimately dependent on the political will of the regional states. See Sheldon Simon, "U.S. Strategy and Southeast Asian Security: Issues of Compatibility,"
ASEAN -U.S./Western relations are likely to be increasingly strained over issues of human rights. ASEAN elites may perceive American attempts to link aid to human rights concerns as being threats to regime security. Nonetheless, it is clear that the ASEAN states want the United States to remain in Southeast Asia as a balancer and guarantor of future security relations, despite their ambivalence about the level of U.S. commitment and reliability. Ultimately, the U.S. presence may provide the time needed to create the political arrangements necessary to maintain regional stability.

Japan in Southeast Asia

Japan's role in Southeast Asia in the post-Cold War period is unclear to all the states of the region, including Japan. Throughout the late 1970s and 1980s, Japan built up its military capabilities as part of a policy to become more self-reliant and better capable of confronting the military threat from the Soviet Union. Japan was encouraged in this endeavour by the United States. During this period, the Soviet Union attained - on paper at least - military parity with the United States. The U.S. was unable to guarantee the absolute security of its allies and insisted that its anti-communist partners assume a greater share of their own defense. In the case of Japan, this call was exacerbated by

Contemporary Southeast Asia 14, No.4(March 1993), 301-313.

25 Huxley, 26-27.
American-Japanese economic tensions. The Japanese governments of the time - particularly the Nakasone administration of the early 1980s - were already inclined towards adopting an international role for Japan commensurate with Japanese economic strength. In 1981, the Reagan Administration convinced Japan to assume responsibility for protection of the sealanes within a thousand-nautical mile radius of Tokyo. Since that time, the Japanese military buildup has reflected the need to carry out this mission. By adopting a greater share of its national defense and a larger security role in the Pacific region, Japan hoped to strengthen its alliance with the United States. Nonetheless, most Asian states were uncomfortable with the Japanese buildup.

Japan's military posture and the rationale for its buildup were integrally connected to the Cold War. With the end of the Cold War, the U.S. has no desire for Japan to become a rival centre of power. Rajan Menon, "The Once and Future Superpower," The Bulletin of the Atomic Scientists (January/February 1997), 29.

26 Alagappa notes that the American pressure on Japan to increase its military capability has been a factor since the 1970s, though the situation became more pronounced in the 1980s. The U.S. Congress, largely out of hostility towards Japan, passed a resolution calling for Japan to spend 3% of its GNP on defense, rather than the 1% it usually spent. Muthiah Alagappa, "Japan's Political and Security Role in the Asia-Pacific Region," Contemporary Southeast Asia 10, No.1 (June 1988), 25. As Menon notes, however, the U.S. has never intended for Japan to become a substantial military power. What it has wanted is a Japan that "more fully contributes to America's dominant global role, while continuing to depend on the United States for its security." The U.S. has no desire for Japan to become a rival centre of power. Rajan Menon, "The Once and Future Superpower," The Bulletin of the Atomic Scientists (January/February 1997), 29.

27 Alagappa, "Japan's," 26; Selin, 17.

Soviet threat, it has become much more politically - if not strategically - difficult to justify Japan's military increases. Japan has three major reasons for being concerned about the Asia Pacific. First, it is geographically located in the region, and so affected by local developments. Second, Southeast Asia provides vital strategic commodities to Japan and contains the waterways through which most of Japan's fuel and much of its trade must travel. Finally, much of Japan's trade is with Asian states, and is growing.\(^2^9\)

The end of the Cold War has actually increased pressure from the United States on Japan to expand the range of its military capabilities. The U.S. still envisions itself as possessing a dominant role in the Asia-Pacific, but it wants Japan to possess a greater capability to support American initiatives. To some extent, this has required Japan to increase its power-projection capabilities, a reality that does not sit well with Asian states, especially China.\(^3^0\) Thus, Japan is caught in a catch-22 situation between the United States and its East Asian neighbours. Asian states insist that Japan remain constrained by its security relationship with the United States. Japan acknowledges the central importance of that relationship and wishes to maintain it, but doing so requires that it expand its military capabilities - a measure that satisfies its American allies, but makes East Asians

\(^{29}\) Alagappa, 30-31.

\(^{30}\) Green and Self, 42-43.
very nervous.  

The ASEAN states are concerned about Japan's role in the Asia Pacific for two reasons. First, they are worried about the prospect of Japanese economic domination. Second, they are apprehensive about the re-emergence of Japanese militarism. The fear of economic domination has been largely alleviated by the changing nature of Japanese-ASEAN trade. It is fear of Japanese militarism that is most pronounced and evokes the most apprehension in Asia generally. In many respects, this concern seems unjustified. In strict military terms, Japan is incapable of assuming an aggressive military posture. It is true that Japan's defense budget is the third largest in the world, and the Japanese military is technologically sophisticated and well-trained. However, it

31 The importance that Japan places upon its security relationship with the United States in the post-Cold War period is indicated by the fact that the 1995 National Defense Program Outline (NPDO) mentions the centrality of the U.S.-Japan alliance 13 times. By contrast, the importance of the relationship is mentioned only twice in the 1976 NPDO. Ibid., 43.

32 Sudo, 56.

33 The increase in Japanese investment in Southeast Asia, combined with the fact that Japan is now a major market for Southeast Asian goods, has meant that ASEAN states are now more inclined to encourage Japan's greater involvement and economic role in their region. The ASEAN states are also more confident about their ability to manage their economic situations. Nonetheless, concern with Japanese economic dominance does still exist. Sudo, 57-58.


35 Chaiwat, 17. In 1995, the U.S. Arms Control and Disarmament Agency ranked Japan 138th out of 166 countries in the proportion of its gross national product spent on defense. Japan's GNP is the second largest in the world, however, (4.6 trillion U.S.) so its defense budget is still extremely large, despite being
maintains a defensive stance. Japan's military is designed to work in tandem with the United States, not as an independent force. Presently, Japan does not have the air or logistical support necessary to sustain a conflict far from its shores for any significant amount of time.\textsuperscript{36} The real concern of regional states, however, is not what Japan can do today, but what it will feel compelled to do tomorrow. If Japan concludes that the U.S. cannot or will not act to protect its interests, will it feel the need to create a credible independent military? Will it take on the task of defending its economic interests in Southeast Asia? If Japan decides to become an "ordinary" great power, what repercussions would such a decision have within the region?

A number of factors constrain Japan's ability to assert power in Asia. The most important is the U.S.-imposed Japanese Constitution, which forbids Japan's use of military power. Post-World War II Japan is also distinguished by its apparent commitment to pacifism. Nonetheless, both of these restraints may be less than they appear.

Article IX of the Japanese Constitution proclaims that

\textsuperscript{36} Selin, 68-69.
"...land, sea and air forces... will never be maintained."37

Obviously, this is not the case. According to Menon, Article IX has proven to be "exquisitely surmountable" when it has stood in the way of political imperatives.38 At the start of the Cold War, the United States wanted Japan to assist in the containment of the Soviet Union. Thus, the Japanese Self-Defense Force was created in 1954, after it was decided that Japan still had an inherent right to self-defense. Japan - with American support - has been pushing back the envelope of what is acceptable ever since.39 In 1987, the Nakasone government spent slightly more than 1% of the GNP on defense, breaking the self-imposed 1% defense-ceiling that had been in effect for 10 years.40 In 1987, the Japanese Defense White Paper

37 The text of Article IX is quoted in Sudo, 4. It reads:
Aspiring sincerely to an international peace based on justice and order, the Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as a means of settling international dispute.
In order to accomplish the aim of the preceding paragraph, land, sea, and air forces, as well as other war potential, will never be maintained. The right of belligerency of the State will not be recognized.

38 Menon, 30.

39 Some other examples of Japan pushing back the military envelope include: Japan's provision of extensive logistical support to Western forces during the Korean and Vietnam wars. In 1967, Japan banned the export of arms and adopted three non-nuclear principles that prohibited the manufacture, transportation or introduction of nuclear arms into Japan. However, Japan willingly accepted the American "neither-confirm-nor-deny" policy with regard to its vessels in Japanese ports. In 1983, Japan violated the spirit, if not the letter of this ban, by agreeing to transfer military-related technology to the U.S. Japan also agreed to participate in the American Strategic Defense Initiative (SDI). Menon, 31; Alagappa, 27.

40 Alagappa, 28-29. The 1% ceiling was adopted in 1976 by the Takeo Miki government to reassure the public that increases in defence expenditures would not run out of control.
adopted a broad definition of self-defense which:

explicitly state(d) that self-defence is not necessarily confined to the geographic scope of the Japanese territorial land, sea and air-space and that the definition of the extensiveness of the geographic scope will depend on the individual situation.\(^{41}\)

More recently, Japan has sparked regional and domestic controversy by trying to find ways for it to take a more active role in international security issues by providing non-combatant forces to help in international activities, such as the Gulf War.\(^{42}\)

Japanese pacifism may be a further restraint on Japanese international conduct. In the past, Japan's military initiatives were subject to considerable domestic scrutiny and opposition. These domestic, pacifistic forces acted as a partial brake on whatever larger ambitions the government of the day may have had.\(^{43}\) As the preceding discussion indicates, however, these forces have not stopped Japan from acting in a pragmatic way to maintain its own security alliances. Moreover, whatever the influence of political pacifism in the past, there are clear signs that the Japanese people today are far less wedded to national pacifism than they were in the recent past.

Masao Kunihiro argues that social idealism, pacifism and liberal causes in modern Japan seem to have lost much of their

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\(^{41}\) Ibid., 26-27.

\(^{42}\) Katahara, 18-22. Japan's most recent efforts to play an increased international security role have involved the dispatch of peacekeepers to Cambodia and Mozambique under United Nations auspices. Mak, "The ASEAN...," 312-313.

\(^{43}\) Katahara notes the need of the Nakasone government to work around "conservative pacifist" forces in the 1980s. See: Katahara, 9-11.
appeal. Most of the opposition movements that may have opposed Japanese militarism in the past have been incorporated into the establishment. Kunihiro argues that Japanese are more "pragmatists" than "pacifists". This pragmatism is supposed to prevent the rebirth of an independent Japanese military out of concern for the consequences, i.e., economic and political disapprobation and possibly even sanctions directed against Japan by its neighbours. This argument may be turned on its head, however: if Japanese pacifism is not rooted in a deep commitment to peaceful values, then it will certainly be tested and probably discarded if external conditions change. The only real question becomes how much those conditions need to alter before it is more pragmatic for Japan to build an independent military capacity.

In many ways, there is nothing unusual about Japan's desire to possess a credible military. Japan is, in fact, remarkably restrained in its security activities when its potential is taken into consideration. Nonetheless, it continues to be distrusted by the regional states. Its difficulties with the rest of East Asia extend from the way in which it has dealt with the history of its occupation of the region. East Asians widely believe that Japan has never properly confronted its war-time activities. Until they are certain that the Japanese truly accept responsibility for their actions during WWII, the prospect of a militarily active Japan will continue to frighten the states of the region.45

44 Kunihiro, 36.
45 Chin, 18-19.
Barry Buzan argues that a Japan that tries to downplay its own international influence and abilities is far more destabilizing to the international system than one which takes on the roles that its capabilities demand. This includes assuming a military capacity commensurate with its power. Buzan argues that Japan's conduct during the 1930s and 1940s was, with a few exceptions, not so extraordinarily brutal as to merit the kind of long-term approbation it has attracted. Japan's behaviour was not that different from the conduct of other colonial states at the time. Moreover, Japanese behaviour was not so different from subsequent atrocities committed by other Asian states against their own people. For these reasons, Japan should not be crippled in its international standing by what happened decades ago. Buzan argues that much contemporary Asian sensitivity to Japan's war record is really "clever opportunism by foreign politicians who seek leverage over Japan's behaviour."\(^\text{47}\)

Regardless of whether or not Japan's wartime behaviour was in keeping with other imperialist powers of the time, the fact remains that Asian states have not forgotten their treatment at Japanese hands. There is no doubt that some of this sense of grievance is utilized for political purposes, particularly on the part of China


\(^{47}\) Buzan, 559. Chin Kin Wah agrees with point, as do Green and Self. See: Chin,9; Green and Self, 40.
in its dealings with Japan. However, these sentiments cannot be dismissed as purely political manipulation. As already noted, East Asian states remain concerned about Japan because of the perception that Japan has never properly or fully confronted the harm it inflicted upon the region. There is considerable evidence to support this view. Buzan acknowledges that many Japanese still believe the myth that Japan's conduct up to 1945 was "a policy of philanthropy, conducted in the interests of all Asia." Moreover, every time Japanese leaders apologize to other Asians for their country's actions during the war, another political figure appears to glorify Japan's war record. Kunihiro notes that the current Japanese government has powerful members who are closely associated with ultra-conservative movements dedicated to "the cleansing of

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48 Green and Self claim that China habitually assumes an air of moral superiority and grievance when dealing with Japan. In the past, Japan had accepted this and been sufficiently contrite. However, recent events in China, such as the Tiananmen Massacre and the collapse of socialism have eroded China's moral standing in Japan. Moreover, Japan is simply becoming tired of apologizing for its wartime actions. Green and Self suggest that Japanese nationalism is now turning against China. See: Green and Self, 47-48.

49 Buzan, 566. Buzan argues that Japan must be fully rehabilitated by constructing a version of history that allows it to hold onto its national pride and sense of honour about Japanese history and identity in the twentieth century. Such a revisionist history, he acknowledges, must be acceptable abroad. See: Buzan, 563.

50 Recent examples of Japanese apologies are: In 1992, during his visit to China, Emperor Akihito apologized for Japan's actions in the 1930s and 1940s. Prime Minister Murayama also apologized in 1995. See: Green and Self, 47. On the other side of the coin, in 1986 Education Minister Masayuki Fujio was forced to resign because of Chinese and Korean protests over his support for revisionist school history textbooks and his suggestion of Korean complicity in Japan's annexation of the country in 1910. In May 1988, Seisuke Okuno, another right-wing minister, resigned after trying to downplay Japan's responsibility for the outbreak of war with China in 1937. Buzan, 558.
war guilt." These ultra-conservatives wish to portray Japan not as the aggressor in Asia in the early part of the century, but as the "liberator of Asia from the bondage of Western colonialism." They insist that Japanese history books be further revised, even though these texts already whitewash Japanese wartime actions. Kunihiro argues that these revisionists are increasing their influence in Japan's educational and media circles. Their activities have prevented a younger generation of Japanese from learning about Japan's past aggressions in Asia. This generation is already less-inclined to care about such matters, as it has no first-hand experience of the consequences of war. The result is a population that is "pragmatic", but which may also be politically insensitive to other Asians and history. Lee Kuan Yew, the former Prime Minister of Singapore, has suggested that Japan's ability to play a significant role in Asia without alarming its neighbours - notably China and Korea - is dependent on its openness in facing its history. If Japan is willing to educate its young about the

51 Kunihiro, 36.
52 Ibid.
53 Kunihiro, 36-37. Kunihiro relates the story of the visit of Prime Minister Ryutaro Hashimoto to the Yasukuni Shrine in Tokyo on July 29, 1996. The shrine is the embodiment of Shintoism, the state religion, which provided a pseudo-religious justification for Japan's historical expansionism and aggression. Several Class A war criminals are "deified" at the shrine. When Prime Minister Nakasone visited the shrine in 1985, it evoked widespread protest inside and outside Japan. Hashimoto's visit, by contrast, evoked little response at home. The opposition political parties excused his visit as "private". Hashimoto's visit, however, was greeted with intense protest from China, the two Koreas, Hong Kong and Taiwan. Hashimoto promised not to make another visit to the shrine during his tenure, but his actions probably aggravated regional suspicions of Japan and seem to reinforce the idea of Japanese historical insensitivity. Kunihiro, 35-36.
past, it could "change regional perceptions of its character and future goals" and alleviate suspicions about the future.\textsuperscript{54}

Whatever the concerns of regional states with how Japan has faced the past, there are other factors constraining Japan's militarism. Buzan notes that modern Japanese society does not display the disorderly and militaristic characteristics that typified pre-1945 Japan. Modern Japan is also deeply committed to democracy.\textsuperscript{55} Another factor is the Japanese economy, which is integrally connected to the regional and world economy and could not risk the disruption caused by military conflict.

Even if Japan did re-arm and become an aggressive, militarily-nationalistic state, it could not dominate the region in the way that it did in the 1930s. At that time, Japan was the only independent and effective industrialized power in Asia. Thus, its ability to militarily dominate its neighbours was far greater. Modern day Japan is the most advanced of many industrialized powers in a region that is now dominated by China, and affected by the military potential of Korea. Moreover, Japan is the most vulnerable of the top six world powers, possessing a relatively small population, limited territory, virtually no natural resources, and an economy that is highly vulnerable to the disruption of trading

\textsuperscript{54} Lee Kuan Yew, cited in Chin, 19.

\textsuperscript{55} Buzan also mentions the Japanese commitment to pacifism but, as the previous discussion indicates, this is may be more questionable than it appears. Also, the notion that "democracy" automatically contributes to peaceful international behaviour remains to be proven.
routes.56

Japan's relationship with ASEAN is highly complex. In the Cold War period, ASEAN assumed considerable importance in Japanese diplomacy. The organization was accorded significant attention and its interests were usually taken into account on regional issues.57 Japan's relations with Southeast Asia were governed by the "Fukuda Doctrine", articulated by Prime Minister Fukuda Takeo in August 1977. The Fukuda Doctrine consists of three principles:

1) Japan would not become a military power; 2) Japan would promote closer economic, social, political and cultural ties with ASEAN members; 3) Japan would pursue constructive relations with the three Communist regimes in Indochina, particularly Vietnam, as well as encourage coexistence rather than conflict between ASEAN and Indochina.58

However, these principles were initiated under the Cold War regime, when the prospect of a Japan unrestrained by American power was far less than today. How the ASEAN states will react to Japan acting, on its own, to defend regional maritime trading and communication routes remains to be seen. As noted above, East Asian states, including the ASEAN members, are very uneasy about potential Japanese militarism. Extensive economic contact with Japan has

56 Mak cites Coral Bell as specifying six members of a new "concert of powers". Besides Japan, the other five members are: the United States, Western Europe, Russia, India, and China. See: Mak, 313,322. Buzan identifies the same constraints on Japanese power. See: Buzan, 567.

57 Sudo, 22-47.

58 Chaiwat, 9. As Chaiwat notes, however, the Fukuda Doctrine was really just the explicit articulation of the regional policies that Japan had followed for 20 years.
alleviated some of ASEAN's apprehensions, but concerns remain.\textsuperscript{59}

Despite their concerns, some ASEAN states see Japan as a potential balance to Chinese hegemony in Southeast Asia.\textsuperscript{60} The ASEAN states are not, therefore, necessarily hostile to a Japanese military presence, depending on how it is handled. The ASEAN states would prefer Japan remain tied to the United States. If that cannot happen, they want to engage Japan in multilateral security relationships, rather than risk letting it unilaterally define and defend its interests in the region. Japan appears open to these initiatives. Tokyo is in the forefront of different attempts to establish multilateral security frameworks for the Asia Pacific. This is in marked contrast to its position before 1990, when it supported the American position and expressed a preference for bilateral relationships. Today, Japan's contribution to multilateralism largely consists of trying to keep the United States engaged in the region. Japan does appear to favour ASEAN as the basis of multilateral security cooperation in the region.\textsuperscript{61}

If the U.S.-Japan security arrangement breaks down and Japan

\textsuperscript{59} Chin, 19; Mak, 312-313.

\textsuperscript{60} Chin Kin Wah argues that, despite their apprehensions about Japan, most ASEAN states see China as the greater regional threat. He accounts for this perception by arguing that Southeast Asia has had far greater historical exposure to China and frequently felt threatened. During the Cold War, China was, initially, a source of threat. Southeast Asia has also had to deal with the economic, political and ethnic problem of the "overseas Chinese". By contrast, Japan's post-WW II relations with the region have been mostly characterized by extensive economic contact. This has mitigated, if not eliminated, the sense of Japan as a threat. Chin, 10-11.

\textsuperscript{61} Mak, 314. Japan played a significant role in helping to create the ASEAN Regional Forum (ARF). This is discussed in greater detail in Chapter Seven.
decides to re-arm, the result may be a destabilizing arms race in Northeast Asia. Moreover, an arms race between Japan and China could easily become a nuclear arms race, given the technological capabilities of both parties. Indeed, it is likely that any kind of Japanese military presence in Southeast Asia, whether invited by ASEAN or not, will spark an arms race with China, and possibly the two Koreas as well.62

It is clear that Japan and its relations with Southeast Asia, and the larger Asia-Pacific, are undergoing a fundamental change. Japan will, inevitably, continue to assume a greater military role in the region. The ASEAN states are uncomfortable with this probability, but they are trying to accommodate Japan within larger structures. In the long-term, there are good reasons to believe that the ASEAN states can learn to accept Japan as a military presence in the region. In many respects, regional fears of Japan are based on an inadequate understanding of the ways in which Japan has changed. Even if Japan has not come to terms with its history, the conditions that encouraged Japanese militarism in the early part of this century are no longer present. The more important question is how the Koreas, and especially China, will react to an independent Japanese military force. In the end, the role of Japan in Southeast Asia remains undefined, adding to the uncertainty of the post-Cold War environment.

China in Southeast Asia

The question looming over Southeast Asia is whether or not

62 Ibid., 313.

253
China is a "threat" to the region. China and its ambitions are the single greatest source of uncertainty in the Asia-Pacific. This is an issue that requires a detailed examination. The following discussion will try to place this issue within its proper political context. The short answer to the question is "yes"; in my view, China is a long-term threat to the sovereignty of the ASEAN states. However, the ASEAN states cannot afford to reach such a judgement. Thus, they are pursuing a dual course: they are trying to maintain a U.S.-based balance of power in the region, but they are also hoping that China can be incorporated into the region through its participation in the development of constraining institutions.

This discussion begins with an overview of the arguments for and against the idea of the "China Threat". It then considers how China defines its strategic environment and examines China's military buildup, before discussing the many problems that China needs to overcome before it can realize its global ambitions.

*The "China Threat"*

Throughout the 1960s, the ASEAN states viewed China as a source of revolutionary unrest and were suspicious of its relationship with the ethnic Chinese of Southeast Asia. During the 1970s, however, China began to pursue a more orthodox, "government-to-government" diplomacy with its ASEAN neighbours. It established diplomatic links with Thailand, the Philippines and Malaysia. During the 1980s, the states of the region generally perceived China as a stabilizing force. China was allied with the U.S. against the U.S.S.R. internationally, it was ASEAN's partner in
trying to force Vietnam from Cambodia, and it was preoccupied with its own economic development. ASEAN-China trade increased dramatically during this period. Indonesia, always the ASEAN state most suspicious of China, restored diplomatic relations in August 1990; Singapore and Brunei followed suit in 1991.63

Even during this period, however, some ASEAN states continued to view China with concern. As noted in Chapter Four, different perceptions on the part of different ASEAN states regarding the question of China's long-term threat to Southeast Asia greatly complicated ASEAN's diplomatic initiatives regarding Vietnam. As early as the 1970s, ASEAN governments were expressing unease about China's developing capability to assert its territorial claims in the South China Sea. In the post-Cold War period, the South China Sea has become a potential flashpoint for future conflict. At the same time, however, China's desire to build strong economic and political ties with its Asian neighbours may offer the ASEAN states and others the possibility of moderating Chinese behaviour.

Roy identifies three distinct arguments in favour of viewing China as a threat to the stability of the Asia-Pacific. He also identifies five counter-arguments.64 The arguments in favour of the "China threat" are:

63 Huxley, 28-29. Singapore refrained from normalizing its relations with China out of deference to Indonesia. Indonesia was always very suspicious of Singapore as an ethnic Chinese enclave, and Singapore was conscious of the need not to arouse Indonesia's fears. See also: Wayne Bert, "Chinese Policies and U.S. Interests in Southeast Asia," Asian Survey 33, No.3 (March 1993), 320-321.

1) China's military buildup: since the end of the Cold War, China has rapidly increased its military expenditures. A 21% increase in the military budget was allocated for 1995; a Rand study that tried to account for hidden military costs estimated that China spent 140 billion (U.S.) dollars on defense in 1994.\(^5\) In addition, China has purchased weaponry that enhances its ability to project force into Asia. These actions have convinced many observers that China aspires to become the regional hegemonic power.

2) Chinese Communist Party values: critics of China complain that it practices values that are opposed to the general trends of the international system. In an era of supposedly greater political and economic liberalization and the peaceful settlement of disputes, China has a dismal human rights record and insists on defining its own terms for entrance to different international economic regimes. It refuses to discuss its territorial claims in the South China Sea, threatens to use force against Taiwan, and sells nuclear-capable missile technology to Pakistan. Critics fear that if China becomes a truly global power, it will actively undermine "the modern values that are thought to promote peace and prosperity."\(^6\)

3) Great powers behave like great powers: if China achieves its economic and military potential, it will be a great power comparable to the United States at the start of the 20th century. As an economic and political giant, China will follow the lead of

\(^5\) Roy, 759. Note that this figure is probably very high. The difficulties involved in calculating Chinese defence expenditures will be discussed in more detail below.

\(^6\) Ibid., 761.
other great powers by establishing hegemonic control over its regional environment in order to promote its interests. This does not necessarily mean physical conquest, but it does entail China's use of coercive economic and political power to shape its environment.67

The arguments against viewing China as a threat are the following:
1) Constraints against assertive behaviour: China needs a stable, peaceful and friendly international environment if its goal of economic development is to be successful. This means greater interdependence with the international community which should act as a brake on aggressive Chinese behaviour. In addition, China has many overwhelming domestic problems, such as burgeoning crime and a decaying environment. Its attention and resources will be spent coping with internal problems; it will not have the time for trouble-making in the external world.68
2) A benign track record: supporters of a non-aggressive China point to its historical track record for support. Historically,


China has rarely invaded neighbouring states. It Chinese regimes have usually been non-imperialistic, satisfied with accepting tribute from the surrounding states and spreading the benefits of their "superior" culture without physically impinging upon their neighbours. If this is a guide to future Chinese behaviour, then Southeast Asia has little to fear. Supporters of this argument also claim that traditional Chinese values ensure that a strong China will be benign. Chinese gongfu, which has a significant influence upon Chinese political and military leaders, is a martial code that condemns the humiliation and bullying of the weak, and insists that war must have a just purpose. Chinese Foreign Minister Qian Qichen has also drawn on Chinese tradition to allay fears of Chinese expansionism, citing the Confucian adage "do not do unto others that you do not like others to do unto you."

3) China's military spending is not excessive: China's supporters point out that, prior to 1990, the Chinese military was given a relatively low priority. As a result, its weaponry is largely

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69 The notable exception has been the case of Vietnam, which was under Chinese direct rule for over a 1000 years, from 111 BC to AD 949. See Ramses Amer, "Sino-Vietnamese Relations...", 314-315. Chin Kin Wah notes that Vietnam's history with China is full of wars. Vietnamese folk history contains tales of resistance to China going back 2000 years. Chin,10. Roy cites Chen Jian as arguing that the only real examples of Chinese expansionism were when non-Chinese Mongols occupied the Chinese throne. Roy, "The 'China Threat'," 763. At the same time, Roy himself interprets Chinese history as indicating that China "was an assertive and domineering power, forcing its weaker neighbors to accept Chinese guidance and to pay tribute." Roy, "Consequences," 182.

70 For a more detailed description of the historical relationship between China and Southeast Asia, see: Chang Pao-Min, "China and Southeast Asia: The Problem of a Perceptual Gap," Contemporary Southeast Asia 9, No.3 (December 1987), 181-193.

outdated and needs to be replaced. Moreover, in modernizing its military, China is only following a trend started by its Asian neighbours. China's defense expenditures are still relatively small when compared to the U.S. or even Japan, and especially when calculated on a per capita basis. Overall, China's military buildup can be plausibly seen as a routine and necessary upgrading of an essential service.72

4) Anti-China prejudice: critics of the "China threat" position sometimes claim that proponents of the position are either afraid of the "Other" or are promoting a hidden agenda. Supporters of this argument point out that China is an emerging power that is "non-European, non-democratic and...the last communist stronghold left in the world."73 As a result, it frightens Westerners. Others argue that the Chinese threat is being used to justify high defense expenditures, or being used by those who need an external enemy to feel comfortable. Americans are often accused of wanting to prevent China's emergence as an economic and political rival. Thus, they are using a variety of tactics to sabotage China's development and ensure its subjugation to American interests.74

5) Security benefits outweigh dangers: the final argument is that a strong China is less-threatening than a weak China. An

72 Ibid., 764; Qimao, 245-246; Bunn Nagara, "The Notion of an Arms Race in the Asia-Pacific," Contemporary Southeast Asia 17, No.2 (September 1995), 186-206; Jing-Dong Yuan, "China's Defence Modernization: Implications for Asia-Pacific Security," Contemporary Southeast Asia 17, No.1 (June 1995), 74-79; Denoon and Frieman, 426-427.


74 Ibid., 764-765.
economically and politically weak China is likely to lead to regionally-destabilizing refugee outflows, and tempt other powers to invade China. A strong, rich China, however, is likely to be more democratic (and, thus, moderate in its foreign policy) and a possible counterweight to Japan and Russia. It is also bound to be more economically interdependent with its neighbours.\textsuperscript{75}

These arguments for and against the notion of an aggressive China have varying degrees of merit and define the parameters of the debate over China's aspirations. I shall address them in the course of the following analysis. I shall now proceed to examine how China sees its interests and role in the post-Cold War environment of the Asia-Pacific.

\textit{China's Security Perceptions and Interests}

The end of the Cold War diminished China's leverage in the international system. Before the fall of the Soviet Union, China occupied a pivotal role between the two superpowers, and used its position in this strategic triangle to further its security interests and enhance its international standing. In the post-Cold War era, circumstances are forcing China to redefine its understanding of the international system and its role in it.\textsuperscript{76}

\textsuperscript{75} Ibid., 765.

Since the end of the Cold War, China has failed to formulate a strong conception of the emerging international system. China sees the post-Cold War world as in transition to a multipolar world system. Chinese hardliners still portray the international system as divided in a struggle between capitalism and socialism, with China as the only remaining socialist power. Precisely what this implies, however, is unclear. In the past, China declared itself to be a leader of the Third World. Today, however, China's own economic initiatives are linking it to the industrialized world, even as internal political discord undermines the idea of the Third World. China no longer identifies itself with any global bloc, and vaguely defines the goals of its foreign policy as "development and peace." China's leaders now emphasize that foreign policy must serve the country's domestic goals and further its modernization programs.

China appears to have set aside its goal of being a global power, at least for the short term, and is now focusing its immediate efforts on building strong and stable economic and political relations with its Asian neighbours. China recognizes that it presently lacks the economic development, technological ability and political prestige to compete with the United States on the global stage. Thus, it is focusing its efforts on making itself a regional power in Asia. From this power base, it will eventually step onto the world stage. Economic progress is, therefore, the key

77 Weixing, 119.
78 Qimao, 240-241.

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to advancing China's national security agenda.79

China's goal of becoming a global power is not necessarily belligerent. Qimao Chen argues that some Chinese experts feel that China's greatest threat in the post-Cold War era does not come from any external actor, but from within. If China fails to prosper economically, it will face internal political upheaval. Thus, China has articulated a number of official foreign policy positions. First, it is pursuing a "good neighbour" policy with Asian states. Second, it has adopted an "omnidirectional" diplomatic policy meaning a concerted attempt to improve relations with all states. As part of this policy, it opposes "hegemonism" from any state. China also wishes to play a more active role in promoting world peace. These positions are designed to create a peaceful, stable environment in which China can pursue its economic ends.80

Despite its changing interpretation of the international system, the dominant outlook on international politics in Beijing remains realpolitik, or a balance-of-power approach.81 Chinese leaders believe that the future Asian order will be shaped by the relations between the United States, Japan and China. Though some Chinese analysts do see the international system as more interdependent than in the past, this approach is "often interwoven with a balance-of-power view."82 The following discussion will

79 Weixing, 120-121; Glaser, 267-270.
80 Qimao, 241-245; Garrett and Glaser, 17.
81 Weixing, 121.
82 Chinese analyst, quoted in Glaser, 254.
briefly outline China's major external security concerns.

For the purposes of this dissertation, the single most important area of contention involving China is the South China Sea. The maritime dispute over the Spratlys Islands between China and its ASEAN neighbours is easily the most volatile security issue of concern to Southeast Asia. The South China Sea dispute is accorded a special section at the end of this chapter.

The breakup of the Soviet Union initially created considerable anxiety in China, for political as well as strategic reasons. Most of those fears have since been allayed. Russia still possesses formidable military resources, but China no longer sees any real threat from the Russians, who are hobbled by domestic political difficulties. Russia might be a future economic and political competitor if Russian nationalism reemerges and the Russian economic and political structures rejuvenate but, for the immediate future, Chinese-Russian relations are good. 83

The new Commonwealth of Independent States (CIS) represents a different problem to China. China views the former Soviet Central Asian states as part of the most potentially unstable region in the world, and initially feared that fighting within and between the new states might spill into Western China. Chinese fears eventually abated, but China still sees the CIS as a potential threat. It is especially concerned that Islamic militarism and nationalism will spread into its own Muslim provinces, as well as become a destabilizing force in itself. China also fears that ethnic

83 Weixing, 123; Glaser, 256.
nationalism in the CIS will inspire similar movements at home. China has tried to address this problem by establishing high-level contacts with the CIS. Containing internal ethnic problems is of great importance to China, given the growing weakness of the Chinese central government, a concern addressed in more detail below.  

China's relations with Japan are highly complex. On the one hand, it recognizes its need for Japanese foreign investment if it is to fulfill its own economic goals. On the other hand, Beijing views Japan as its major long-term rival for political influence in East Asia. In the short-term, Chinese leaders see Japan as being occupied with a number of more immediate foreign policy goals, such as attaining a permanent seat on the UN Security Council and establishing a more equal relationship with the United States. However, in the next century, China believes that Japan will inevitably seek to assert a political and security role in Asia that is commensurate with its economic and technological power. Like most Asians, China fears that Japan will reemerge as a militaristic power.  

China follows Japan's military and security initiatives closely. It points out that Japan's defence spending currently ranks third in the world, and that Japan is acquiring

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84 Glaser, 254-255; Shambaugh, 96-97; Weixing, 123.

85 Glaser notes that some younger-generation Chinese specialists on Japan see increased Japanese involvement in regional and global issues as possibly beneficial to Chinese interests; they do not believe that a more prominent Japan necessarily means a remilitarized Japan. Glaser, 257.
greater power-projection capabilities. Chinese observers also feel that Japan is following a policy of incrementally rolling back the legal and political barriers preventing it from deploying military forces internationally. Their long-term fear is that the United States will eventually leave Japan and its security treaty with Japan will be terminated, thereby removing a considerable barrier to Japan's military growth. Even more, Japan may ask the U.S. to leave, and terminate the treaty itself, because it comes to see the American presence as an impediment to its international role. An independent Japanese military capability will have a destabilizing effect on the region and will likely lead to a pronounced regional arms race. If Japan decides to acquire nuclear weapons, as a response to North Korea or some elements in the CIS, overall regional stability will be seriously affected. This interpretation of Japanese interests may appear somewhat alarmist, but it is the dominant view (at least today) within Chinese political circles, and it is a fear held by many other Asian states, as noted above.

China's relations with the United States are also complicated. With the decline of the Cold War and in the aftermath of the Tiananmen Square massacre, China-U.S. relations have become increasingly strained. As with Japan, China acknowledges that it

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86 Weixing, 123-124. Japan has expressed the need to project power up to 1000 nautical miles from home, in order to protect shipping, and is considering extending its operations to the Malacca Straits. Note my earlier discussion of this decision and its connection to the U.S.-Japan security relationship. Glaser, 258.

87 Glaser, 256-259; Weixing, 123-124; Shambaugh, 97.
needs American economic and technological support if it is to attain its goal of full modernization. At the same time, China believes that the United States is trying to use its international power and status to impose the American version of human rights, democracy and capitalism on China. The U.S. decision to sell 150 fighter jets to Taiwan in 1992 and the debate later that year over whether or not to link China's Most-Favored Nation trading status to human rights concerns (the U.S. decided not to do so) pushed U.S.-China relations to a new low. At that time, China expressed the fear that the U.S. was trying to foment a process of "peaceful evolution" within China aimed at undermining the political and ideological institutions of the Chinese state. While China is less afraid of "peaceful evolution" today, believing it to be beyond American capability, it is concerned that the U.S. continues to view it as a "threat," and a potential military adversary. China fears reports that it is now the target of U.S. nuclear missiles, and feels that the U.S. is trying to use the superior resources of its Asian allies, especially Japan, to block any other power from gaining a dominant regional position. Thus, while China sees the immediate withdrawal of American power from Asia as destabilizing, a growing minority of analysts argue that the U.S. should gradually withdraw, and leave Asians to settle Asian problems.\footnote{Glaser, 259-261; Bert, 319, 322-323; Shambaugh, 98.}

Korea poses another kind of problem for China. China wishes to avoid conflict with the United States and South Korea over North Korea; it is also opposed to North Korea's attempts to build
nuclear weaponry. In the longer-term, China sees a reunified Korea as a mixed blessing. It would be another powerful economic and military competitor, and may be susceptible to Japanese influence. Moreover, Korea has territorial disputes with China. On the other hand, a reunified Korea would eliminate one possible source of regional conflict. Reflecting the complicated relations in the region, some Chinese analysts argue that a united Korea would remain wary of Japan and could be a further check on Japanese aspirations. 89

Finally, China's relations with Taiwan constitute another potential regional flashpoint. Until relatively recently, China-Taiwan relations were definitely improving. Recent Chinese aggressiveness towards Taiwan, however, has underlined the potential for military conflict across the Taiwan Straits, a conflict that could easily involve the United States. The most likely scenario under which China would employ force against Taiwan is in the event of Taiwanese efforts to declare independence or renounce reunification. The political, economic and military costs of a Chinese invasion of Taiwan, however, are considerable. 90

China's Military Buildup

In the past, China's direct military influence upon its neighbours was minimal. Threats from China were mostly construed as ideological and political in nature. In the post-Cold War, however, this is changing. China is:

89 Glaser, 261-262.

90 Glaser, 263-264; Qimao, 246.
...now virtually alone among the world's major powers in significant annual increases in its defence budget. It is the major beneficiary of the buyers' market for Russian weapons in the Asia-Pacific region. Above all, it probably has the most ambitious military modernization program of the post-Cold War period.91

The following discussion will explore China's military buildup, focusing on its attempts to construct a modern naval force. The evidence shows that China's intentions in the Asia-Pacific leave considerable room for concern. On the other hand, whether or not China has the ability to match its resources to its intentions is a more open question.

There is no doubt that China is spending a great deal on its military in the post-Cold War. However, the real question is whether or not these expenditures are cause for alarm. Throughout the 1980s, China's military budgets remained relatively constant.92 This changed abruptly in 1990, when the official military budget was increased by over 15% from 1989. This was the first real increase in the defence budget in 10 years, given that inflation caused an estimated 5.8% annual decrease in the budget during the 1980s. This trend has continued throughout the 1990s. Between 1989 and 1993, China increased its defense budget by over 69%. In 1994,

91 Amitav Acharya and Paul Evans, *China's defence expenditures: trends and implications* (Toronto: Joint Centre for Asia-Pacific Studies, 1994), 3. The following discussion of China's military expenditures is based primarily upon this source.

92 Many analysts argue that China's decision to not increase its military budgets during this period indicates that the military was given a low-priority by the government. Acharya and Evans argue that the government did not assign the military a low-priority so much as decide to put off military modernization until it first created a stronger economic base on which to build. Acharya and Evans, 4.
the budget was increased another 34% 93 These figures are less daunting when defense expenditures are calculated as a percentage of China's GNP. Then, China spent less than 2% of its GNP on defense in 1992. However, China's economy has experienced double-digit growth rates since 1979, when the government began promoting economic liberalization. This means that China can - and has - greatly increased its real defence expenditures without raising its defence burden.94

The allocation of China's recent defence expenditures is very important. Initially, the increases in the official defense budget of the early 1990s was absorbed by increases in salaries and repairs/maintenance of army barracks, areas that had received little attention during the 1980s. Subsequent increases in 1992-1993, however, appear to have gone to the purchase of modern equipment and technology.95

Experts believe that the official Chinese defense budgets are grossly understated.96 American intelligence agencies believe that the actual defence budget is at least two to three times what the Chinese admit. Moreover, there are many significant aspects of China's defence spending that are not included in the actual

93 Ibid., 6-7.
94 Ibid., 7.
95 Ibid., 9.
96 Nayan Chanda, "Fear of the Dragon," Far Eastern Economic Review (April 13, 1995), 25. Chanda shows that estimates of China's annual military budget vary widely, with the Chinese government claiming that it spends less than $10 billion, while the American Arms Control and Disarmament Agency estimates the Chinese Defense budget at around $50 billion.
budget. Five examples of this practice are:

1) Military expenditures are included in the budgets of other government ministries. For example, military research and development is divided between other agencies; matters dealing with military personnel are handled by civil ministries.97

2) Extrabudgetary grants used to purchase modern weaponry or develop weapons projects are not reflected in the official defense budget.98

3) A portion of the earnings that the PLA makes from its civilian business activities is likely funneled into defence programs. As much as 70% of the production output of China's major defence industries is in civilian products. The PLA sale of civilian products may have earned the military as much as U.S. $5 billion in 1992. The PLA has also moved directly into a number of big business endeavours, such as the manufacture of cars, jewellery and cosmetics, and investment in hotels and bars. In 1991, approximately 10,000 military-owned enterprises employed around 800,000 workers.99 The PLA also earns income from agricultural business activities.

4) The PLA has used barter trade to acquire a considerable portion of its new weaponry. As much as 60% of the lucrative China-Russia

97 Acharya and Evans, 10.

98 For example, the purchase of SU-27 aircraft from the Soviet Union in 1992 was like covered by a special grant from the State Council to the PLA. This acquisition, as we shall see, may have significantly increased the PLAN's ability to project force in the South China Sea. Ibid.,13.

99 Ibid.
arms trade may be in barter.¹⁰⁰

5) The use of income from international arms sales is not reflected in official defence budgets. Between 1982-1989, China earned around U.S.$12 billion in arms sales. These profits were shared between the central government and military in a 40-60 (perhaps 35-65) split. However, since 1989, China's arms sales have fallen dramatically due to competition from Russia. The PLA may be trying to offset this loss of revenues from the arms market by selling nuclear technology and commercial satellite-launch facilities.¹⁰¹

Recently, the IMF re-evaluated China's economy on the basis of purchasing power parity (PPP), a system that effectively triples the dollar value of China's GDP. Thus, if China's 1992 reported defence budget was $12 billion, and this figure is really only about half of the actual defence budget, then China's actual defence expenditures in 1992 were between $36-72 billion. This would mean China has the second highest defence budget in the world.¹⁰²

In the mid-1980s, China shifted its military doctrine in response to a perceived decline in the threat from the Soviet Union. China moved from preparing to fight a "People's War" - essentially, a war of attrition against a powerful enemy that would mobilize the entire society - towards a "People's War under Modern

¹⁰⁰ Ibid., 13-14.
¹⁰¹ Ibid., 14.
¹⁰² Ibid., 15. The figure of $12 billion is cited by Gerald Segal, and taken from the IISS Military Balance.
Conditions", then to a strategy of "peripheral defence." The new approach emphasized a modern, mobile military, focused on fighting intense "local wars" on China's periphery. This doctrinal shift was later reinforced by the end of the Cold War and the corresponding consensus that China's most immediate challenges would arise from regional instabilities and territorial disputes. China set about creating a smaller, more modern and sophisticated military force, especially in the naval and air arenas.103

China's commitment to military modernization was dramatically reinforced by the 1991 Gulf War. The United States' use of high-technology to devastate the relatively low-technology forces of Iraq frightened China, and dealt the death blow to the "People's War" strategy. Chinese officials saw the Gulf War as an example of the kind of regional conflict that could threaten China's security in the future. Only advanced modern weaponry could provide China with the long-range power projection capabilities, mobility and maneuverability needed to fight local wars. China was weak in all of these areas, however.104

Most of the conflict that China is likely to face in the

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103 Ibid., 15-18; Weixing, 124-125. In addition to these references, the following analysis of China's military buildup is based primarily upon the following sources: Jing-Dong, "China's Defence"; Selin, Asia Pacific, 10-14; Tai Ming Cheung, Growth of Chinese Naval Power: Priorities, Goals, Missions, and Regional Implications, Pacific Strategic Paper No.1 (Singapore: Institute of Southeast Asian Studies, 1990); You Ji and You Xu, "In Search of Blue Water Power: The PLA Navy's Maritime Strategy in the 1990s," Pacific Review 4, No.2 (1991), 137-149; Elizabeth Speed, Chinese Naval Power and East Asian Security, Working Paper No. 11 (Vancouver: Institute of International Relations, August 1995).

104 Jing-Dong, 68-71; Speed, 10-15.
future is maritime-based. Thus, most of the new military expenditure is going towards the navy. China is currently engaged in a 25-year plan to become a great naval power.\textsuperscript{105} At present, Chinese naval capabilities are quite limited, and unsuited to long-term naval conflict. Though China easily possesses the largest fleet in the South China Sea, much of its equipment is outdated or nonfunctional.\textsuperscript{106} Until recently, Chinese military doctrine relegated the navy to supporting the land forces. China's navy had concentrated on defending coastal regions and maritime borders. Now, as part of its "peripheral defence", China sees itself as requiring a blue-water navy in order to pursue an "active defense" posture or "jinhai fangyu" (offshore defense) strategy.\textsuperscript{107} Ostensibly, the need to protect the thriving economic centres along China's Southeastern coast requires a naval force capable of engaging the enemy far from Chinese shores. Thus, Chinese defensive goals have expanded; China now wants the ability to project force a 1000 nautical miles from its coast, an area encompassing Japan, the Philippines and the South China Sea. The protection of seaborne trade and deep-sea fishing are also stated objectives.\textsuperscript{108}

\textsuperscript{105} For a full account of the development of China's naval doctrine and the PLAN's intended naval buildup, see: You and You, 137-149.

\textsuperscript{106} For example, the Chinese navy possesses about 100 submarines, but only about 46 are in service, and even some of these are of questionable quality. Tai Ming Cheung, "Lacking Depth", \textit{Far Eastern Economic Review} (February 4, 1993),11.

\textsuperscript{107} Huxley, 30; Selin, 12.

\textsuperscript{108} Ji and Xu, 137-149; Tai-Ming, 5-6; Selin, 12. Selin notes that this "green water active defence" strategy does not preclude the possibility of "offensive strikes for the purpose of self-defence."
It is worth noting that China adopted this new strategic posture primarily in response to Vietnam and, to a lesser extent, other Southeast Asian states that China saw as encroaching on its territory in the South China Sea.\footnote{Huxley, 30.} China claims approximately 3.6 million square km. of ocean territory; about two-thirds of this is under dispute, and about one-third is occupied or "illegally" exploited by other countries.\footnote{You and You, 137; Speed, 14. Nayan Chanda points out that of 15 military engagements since the founding of the People's Republic of China, China only considers two - the Korean War and its 1979 punitive invasion of Vietnam - to have occurred on foreign soil. All the other engagements, such as the 1974 conquest of the Paracel Islands from South Vietnam, or the 1988 battle with Vietnam over some Spratly Islands (discussed below) involved reclaiming "illegally occupied" Chinese territory. Chanda, "Fear,"24.}

The PLAN intends to implement its modernization program in three stages. The first stage runs to 2000, and emphasizes the construction of major surface combatants (i.e., destroyers and frigates) and submarines equipped with modern electronics and missile technology. The second stage, to 2020, calls for the construction of two aircraft carriers and the associated aircraft and warships necessary to create a carrier task force. The third stage calls for the PLAN to become a "world class" naval power by 2050, comparable to the U.S., and capable of undertaking operations anywhere on the globe. The first stage of this program is now underway.\footnote{Selin, 12; You and You, 141; Speed, 14-15.}
The PLAN is already one of the largest navies in the world.\textsuperscript{112} However, most of its warships are designed for coastal combat and, along with PLAN aircraft, are at least two generations behind advanced Western navies. The most modern Chinese ships are easily outclassed by what is available to the U.S. or Japan. Moreover, even if the PLAN modernization program is fully implemented, significant deficiencies will remain in areas such as fleet defence-systems, the ability to keep at-sea operations supplied, and the lack of air-cover for offshore activities. The PLAN continues to rely on its numbers rather than its capabilities. This strategy likely cannot be effective against a technologically-sophisticated opponent.\textsuperscript{113}

The PLAN's ocean-going fleet consists of 18 destroyers and 37 frigates. These warships are outdated and highly vulnerable to submarines and aircraft. They lack the logistical support to operate offshore for significant periods of time. China is now trying to upgrade some of these ships, while scrapping the oldest. Outmoded naval guns have been replaced by long-range, precision-guided, over-the-horizon missiles; western technology has improved armaments and navigational capabilities. New, larger ships have been constructed. China has commissioned two new destroyers, with

\textsuperscript{112} Speed cites the following statistics: 265,000 officers and men, including a 25,000-man naval air force, 5000 marines and 28,000-man coastal defence force. The navy has more than 1700 warships and more than 700 combat aircraft. Speed, 15-16.

\textsuperscript{113} Ibid., 17.
two others planned. These utilize advanced American and French technology and mark a significant improvement in capability. China has also built five new missile frigates, with a sixth planned. Eleven new fast attack craft (missile) have been built, and China is developing other kinds of fast attack craft, apparently for the export market. China has also upgraded some of its existing destroyers. The new warships are able to better handle ocean

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Table 2.2: China's Armed Forces\(^\text{114}\)

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service, and can be fitted with more advanced weapons and helicopters.  

PLAN anti-submarine warfare (ASW) capabilities have improved with the deployment of French-designed helicopters aboard the new destroyers and some frigates. However, the construction of destroyers and frigates is taking longer than expected, and until these new warships join the fleet in greater numbers, the PLAN will remain highly vulnerable to submarines and aircraft. 

The PLAN possesses about 130 submarines, though only about 46 are presently in active service. These are one nuclear-powered ballistic missile submarine (SSBN, the Xia-class), one Golf-Class SSB, five Han-class nuclear-powered attack submarines, one cruise missile submarine, and 38 conventionally-powered patrol submarines (SSKs). The five Han-class submarines are noted for their numerous problems, including excessive radiation-leakage and an inability to fire missiles while submerged. Reports have indicated that China is trying to develop a new and more

115 Selin, 12-13.
116 Speed, 18-19.
117 Speed, 19 and Tai Ming, 23. Tai Ming Cheung notes that the Golf-class submarine was largely used to develop China's submarine-launched ballistic missile capabilities, such as they are. The Golf-design is from the 1950s, and the submarine itself can only launch its missiles while surfaced, a fact that makes it highly vulnerable to attack. For a more detailed discussion of China's submarine capabilities, see Tai Ming, 23-26.
118 Tai Ming notes that at the end of 1985, a Han submarine travelled submerged for 84 days and 20,000 nautical miles, a new Chinese record. As he points out: "(a)lthough it was proudly noted that this surpassed the record of the U.S. nuclear submarine Nautilus, it only emphasized that the Han lags some 25 years behind U.S. and Soviet technological levels." Tai Ming, 25.
sophisticated SSBN, but this apparently has not yet come into service.\textsuperscript{119} The PLAN's 38 SSK's are based on a Soviet "Romeo" design from the 1950s. Their high noise-level and limited endurance means that they are highly vulnerable to ASW activities and so mostly restricted to coastal operations.\textsuperscript{120} After 1987, eight indigenously-produced Ming-class submarines began to enter service, but they do not appear to be significant improvements over the Romeos. In May 1994, a Song-class submarine, based on the Ming, was launched. China received delivery of 4 Kilo-class submarines from Russia in late-1994. These are a marked improvement over existing Chinese submarines, but their main purpose may be to supply technology for application in the Song-class submarines.

The Chinese People's Naval Aviation Arm (CPNAA) is extremely large, but still quite technologically-backwards.\textsuperscript{121} The limited capabilities of most of its aircraft means that the CPNAA cannot provide adequate support or protection to the PLAN away from China's coast. Even in coastal defence, the CPNAA relies on its numbers to fulfill its missions. Most of its Chinese-manufactured aircraft are based on 30-year old Soviet designs. However, this seems to be changing. In recent years, the PLA Air Force (PLAAF) has begun to modernize, along with the navy. China has purchased

\textsuperscript{119} Tai Ming, 25.

\textsuperscript{120} You and You note this restricted usage has been the case since the mid-1980s, when a Chinese submarine was "lured" into the waters of a neighbouring power (either Korea or Japan) and trapped there for 500 hours. Due to the extended submergence, 7 of 24 sailors died. You and You, 143.

\textsuperscript{121} In 1992, the CPNAA included 945 aircraft. Acharya and Evans, Table 9, 19.
advanced Russian fighters and has entered technological licensing agreements with Russia.\footnote{122}{Speed, 20-22; Selin, 14-15.}

China continues to produce its own fighter jets, bombers and helicopters. Israel has helped China acquire sophisticated electronic warfare capabilities and advanced radar systems for one of its fighter jets (the J-8II) presently under development in the city of Shenyang.\footnote{123}{Selin, 14. China's level of technological sophistication in the area of aviation should not be overestimated, however. Attempts to develop the local aviation industry have been set back by problems in metallurgy, engine design and manufacturing, and systems integration. Generally speaking, indigenously-produced equipment is often shoddily-made. Selin, 64.} In 1992, China received 24 Foxhound interceptors from Russia, and may manufacture up to 300 more in Shenyang. In 1993, China bought four batteries of a high-altitude missile air defence system from Russia, and may purchase twelve more. In 1992, China also entered an agreement with Russia to purchase 100 RD-33 aircraft engines, which will be used to upgrade China's Super-F7 fighter for export. Russia is trying to sell China Backfire bombers. Russia has also offered to help China develop a new fighter that would be halfway between the MiG-29 and MiG-31. The new fighter would be based on Russian technology, but manufactured -at a rate of 100-150 aircraft per year - in China.\footnote{124}{Michael Gallagher argues that manufacturing 50 aircraft a year may be a more realistic goal, given China's financial and technical constraints. Michael Gallagher, "China's Illusory Threat to the South China Sea," International Security, 19, No.1 (Summer 1994), 175.} China also hopes to purchase Russian rocket engines, air-to-air
missiles, navigation systems, radar and helicopter technology.  

In 1992, China purchased 26 Su-27 Flanker strike fighters from Russia; another 48 may be purchased, if China and Russia can resolve a dispute over technology transfer.  

The Su-27s have attracted a great deal of attention, both because they are apparently meant for deployment in the South China Sea and because they are China's first truly modern aircraft. The Su-27s allow China to jump two generations of aircraft design, avionics and weapons systems. The Su-27 possesses infra-red tracking sensors and Doppler radar; its tracking and attack systems can be "slaved" to the pilot's helmet. It also carries sophisticated missiles, as well as a gun and rockets. This combination of avionics, fire-control and missile capability is unprecedented for the CPNAA.  

For the time being, however, the CPNAA remains largely unable to protect the navy. This is especially significant for China's aspirations in the South China Sea, particularly the Spratly Islands. Even with an air base in the Paracel Islands, China cannot provide air coverage for any of its naval activities in the Spratlys. China has recently acquired in-flight refuelling capability to address this problem, but China is having

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125 Selin, 14.

126 Ibid., footnote 58.

127 More recent information suggests that the first batch of Su-27s were actually deployed south of Shanghai, and were meant for service towards Taiwan and Japan. Later purchases of Su-27s may end up directed towards the South China Sea. Ibid., 59.

128 Speed, 22.
difficulties mass-manufacturing the technology.\textsuperscript{129} Selin, writing in November 1994, says that it will take 6-8 years for the PLAN to master this technology. Once this happens, China's military should be able to operate under air cover anywhere in East Asia, though the number of planes that can utilize the technology will remain small. China will probably convert some of its existing bombers and transports into aerial tankers to address this problem.\textsuperscript{130}

China is presently developing its first completely indigenous fighter aircraft, the Xinjian (XJ)-10. The XJ-10 is designed to be in the same class of capability as the MiG-29 or F-16. Israel is believed to have provided some advanced technology from its defunct Lavi fighter project to the XJ-10. The first XJ-10 probably will not be ready before the year 2000, though a prototype may be ready sooner. Russia may provide extensive technological assistance on the XJ-10. Besides the XJ-10, China is also trying to develop a stealth aircraft.\textsuperscript{131}

China's aspirations to become a blue-water power are most clearly indicated by its aircraft carrier program. Since the mid-1980s, there have been persistent rumours that the PLAN has sought to acquire an aircraft carrier. Initially, China apparently

\textsuperscript{129} China was initially blocked in its efforts to acquire in-flight refuelling technology by the Coordinating Committee on Export Controls (COCOM). It eventually bought the necessary technology from Iran and Israel, though some sources also suggest Russian involvement. Tai Ming, 28; Speed, 21; Selin, 14-15.

\textsuperscript{130} Selin, 15. Even if China follows through on these conversions, the more practical problem of training pilots to successfully undertake in-air refuelling remains.

\textsuperscript{131} Ibid., 15.
considered buying an aircraft carrier from the Ukraine.\textsuperscript{132} In 1993, the PLAN announced that it planned to have two 40-48,000 ton aircraft carriers in service by 2005. Apparently, the navy now intends to build its own carriers, using Chinese shipbuilding facilities and Russian technology.\textsuperscript{133}

An aircraft carrier is essential if China plans to project power into its maritime territory. Without aircraft carrier protection, a naval task force could not control territory more than 500 nautical miles from the Chinese coast. Moreover, a carrier with 40 planes "can achieve the combat effectiveness of 200 to 800 coast-based fighters in air support functions."\textsuperscript{134} A carrier-headed convoy can also control 50 times as much ocean as that controlled by a convoy of destroyers. Only one aircraft carrier battle group would be needed to control the area in and around the Spratly Islands, which is the most likely place for the deployment of such a task force.\textsuperscript{135}

However, there are enormous financial and technical problems associated with aircraft carriers. China has the ability to build giant ships, but an aircraft carrier also requires special aircraft-launching technology to which China may or may not have access. It also requires aircraft, and the kind of aircraft

\textsuperscript{132} This was the Varyag. According to some reports, Chinese plans to buy the Varyag fell through due to American pressure on Russia to block the sale. Selin, 13; Speed, 23; Jing-Dong, 72-73.

\textsuperscript{133} Selin, 13.

\textsuperscript{134} You and You, 145.

\textsuperscript{135} Ibid.
significantly affects the effectiveness of the aircraft carrier. Factories in China have been ordered to develop onboard planes. China will likely purchase or design Short Take-off and Vertical Landing (STOVL) aircraft, which have a limited range, though it may have catapult technology that would allow it to launch heavier planes. Ultimately, the kind of aircraft that China can launch from its aircraft carriers will determine whether or not these can be effective offensive platforms.

Building an aircraft carrier and all of its associated support facilities and equipment is an enormously expensive undertaking that would absorb a considerable chunk of the overall defense budget. However, the exercise of creating its own carrier will greatly enhance China's technological proficiency in the long-run, and is already the basis for the training of a new generation of professional soldiers.

The greatest problem associated with a Chinese aircraft carrier is the PLAN's inability to protect it. Aircraft carriers are even more vulnerable to submarines and anti-ship missiles than regular warships. The PLAN's deficiencies in missile defence and ASW would leave a carrier dangerously exposed to attack, especially

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136 Besides catapult technology, China also needs arrester wires and elevators for its aircraft carriers. The PLAN has emphasized the need for Western help in developing these technologies. China may hope to get this technology from Russia, but it may be developing it itself: in 1985, China bought the Australian carrier Melbourne for scrap, but dismantled it carefully, paying particular attention to its steam catapults. Speed, 23; Selin, 13; You and You, 146.

137 China is actively training captains of aircraft carriers, and plans to follow the American model of promoting pilots to aircraft carrier commanders rather than captains of surface ships. You and You, 146.
from land-based aircraft. This situation means that much of the carrier's aircraft and naval support would go to protecting the carrier itself rather than projecting power.138

At this point, it appears unlikely that the PLAN will have its aircraft carriers by 2005, given that construction has not yet started. The difficulties involved in training the navy to properly utilize an aircraft carrier would take at least another decade to overcome. Speed speculates that the enormous cost of aircraft carriers and the resources that building them would divert from other military modernization efforts may eventually force the PLAN to scale back its plans and develop a multi-purpose amphibious ship instead.139

The PLAN's ability to project naval forces ashore is also limited. An elite marine corps of 5000 men is the backbone of the PLAN's amphibious assault capacity. The marines are clearly focused on fighting limited regional conflicts, rather than large-scale invasions. The major weakness in China's amphibious capabilities is that its 300+ landing craft are small and cannot navigate in the open-ocean. Until recently, most of China's landing ships were small, meaning that any amphibious landing would be dispersed over a large number of ships. China has recently begun building larger landing ships, and there are reports that it plans to convert a roll-on/roll-off ship into an aviation support vessel. This would

138 Speed, 24.

139 This assertion is based on the example of the Japan Maritime Self-Defence Force (JMSDF) which plans to create "large transport ships with aircraft carrier functions." Ibid.
carry aircraft, principally helicopters, to support any amphibious action.\footnote{140}{Ibid., 25-26; Tai Ming, 30.}

Finally, the PLAN's logistical capabilities are lacking. China has only 26 supply ships, the two largest of which can only carry 21,750 tons of supplies, when fully loaded. The PLAN's logistical deficiencies severely limit its abilities to conduct open-ocean extended operations and, by extension, its ambitions to become a blue-water navy.\footnote{141}{Speed, 26-27.}

In the final analysis, the PLAN remains a coastal navy, despite its large number of warships. Its modernization program is improving its offensive and technical capabilities by leaps and bounds. However, it still needs to overcome major difficulties, notably its weaknesses in fleet defense, logistics, and the slow pace of the replacement of obsolete warships and aircraft. Current PLAN procurement programs continue to emphasize the acquisition of offensive over defensive capabilities. As Speed notes, this may reflect a preoccupation with high-profile, expensive items or the willingness to lose large numbers of ships during any military action. The end result, however, is that, for the immediate future, the PLAN will remain poorly defended and unable to sustain long-range operations. One puzzling weakness is the lack of fleet defence against missiles. Recent military actions, such as the Falklands War, have demonstrated the need to have effective defenses against missile attack. Despite its development of anti-
ship missile technology, China has spent little effort in developing counter-measures.\textsuperscript{142}

China's growing military capabilities are impressive, but they must be understood in their entirety. Right now, despite its large number of warships and recent military acquisitions, the PLAN poses only a limited threat to the Asia-Pacific. Its technology is far below that of other actors in the region, such as the U.S. and Japan. In the cases where it does possess fully modern technology, its ability to utilize that technology is very limited. The PLAN has the same problems as the ASEAN states in creating a "maintenance culture", yet on a far greater scale. Chinese equipment is poorly maintained, and China lacks both technicians and educational facilities necessary to train them. Chinese servicemen also lack the training necessary to properly operate sophisticated equipment or perform difficult maneuvers, such as in-air refuelling.\textsuperscript{143} Given the enormous catching-up that the Chinese military needs to do, the gap between itself and major powers in the region is likely to continue for the foreseeable future. Even in comparison to some of the smaller, technologically-sophisticated regional actors, such as Taiwan and Malaysia, China may not possess an overwhelming advantage.\textsuperscript{144} Nonetheless, whether fully justified

\textsuperscript{142} Ibid., 27.  
\textsuperscript{143} Selin, 64.  
\textsuperscript{144} This point is suggested by Jing-dong, 75. Obviously, other analysts, such as J.N. Mak, would disagree with this assessment. Mak argues that the ASEAN states inability to credibly oppose China makes their military buildups dangerous to each other. Mak, 318.
or not, concern with the Chinese navy is common throughout Southeast Asia, particularly with respect to the territorial disputes in the South China Sea.

The South China Sea Conflict

Much of the ASEAN states' present concern with China centres around Chinese behaviour in the disputed Spratly Islands. The Spratlys are an archipelago stretching across more than 250,000 square kilometres of the South China Sea, and consisting of more than 230 land masses, of which 20 are islands. The Spratlys are claimed in their entirety by China, Taiwan, and Vietnam; the Philippines, Brunei, and Malaysia all claim selected areas of the Spratlys falling within their territorial waters. With the exception of Brunei, all of the claimants have established a military presence on the Islands. Indonesia does not claim any part of the Spratlys, but the exclusive economic zone around the Natuna Islands (which Indonesia disputes with Vietnam) overlaps with Chinese claims. Vietnam controls between 21 and 24 islands in

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145 For the purposes of this discussion, I will only focus upon the conflict over the Spratly Islands. The Paracel and Pratas Island groups in the South China Sea are also under dispute, but are under the effective control of China and Taiwan, respectively. Moreover, it is the Spratlys Islands conflict that most concerns ASEAN. Chang Pao-min "A New Scramble for the South China Sea Islands," Contemporary Southeast Asia, 12, No.1 (June 1990), 20.

146 Ibid., 20.

147 This account of the Spratlys Island conflict relies primarily upon the following sources: Lee Lai To, "ASEAN and the South China Sea conflicts," The Pacific Review, v.8 (#3, 1995), 531-543; Mark J. Valencia, China and the South China Sea Disputes, Adelphi Paper No. 298, (London: International Institute for Strategic Studies, 1995); Khoo How San, "ASEAN and the South China Sea Problem, in Chandran Jeshurun, ed., China, India, Japan and the Security of Southeast Asia (Singapore: Institute of Southeast Asian Studies, 1993), 181-207; Michael G. Gallagher, "China's Illusory Threat to the South China Sea," International
the Spratlys chain. China holds seven, while Taiwan occupies Itu Aba, the single largest island in the archipelago. The Philippines holds eight islands, and Malaysia controls three atolls.\(^\text{148}\)

The recent history of the Spratly Islands has involved significant incidents of violence. Most of this has been aggression directed by China against Vietnam. In 1974, China evicted South Vietnam from some of the Spratlys by force; in 1988, China and Vietnam fought a major naval battle over the Spratlys that resulted in 72 Vietnamese deaths, and the sinking of three Vietnamese ships.\(^\text{149}\) The possibility that China will use violence against Vietnam in the future must be weighed against the much more conciliatory tone of recent Chinese-Vietnamese relations and the fact that Vietnam has recently joined ASEAN. Given its economic objectives and its associated "good neighbour" foreign policy, China has been quite restrained in its dealings with ASEAN. Nonetheless, any Sino-Vietnamese conflict over the Spratlys may involve the Philippines and/or Malaysia, due to the overlapping nature of the different claims.\(^\text{150}\) Moreover, the most recent Chinese provocation in the Spratly Islands involved the Philippines, and shattered the myth that China would act

\(^\text{148}\) Khoo, 185.


\(^\text{150}\) Huxley, 33.
aggressively only towards Vietnam in the Spratlys.

In February 1995, China occupied the Philippines-claimed Mischief Reef, located 170 kilometres from the Philippines.\(^ {151}\) The Philippines' response was to send its entire operational combat Air Force (a complement of two fighters) to the scene, and blow up Chinese sovereignty markers that had been placed on other landmasses within the Philippines' Exclusive Economic Zone.\(^ {152}\) While this situation was resolved without violence, it may indicate that China is more willing to push the limits of its relationship with the ASEAN states.\(^ {153}\)

Historically, China regarded the South China Sea as a "Chinese Lake". China claims that the entire area falls under Chinese sovereignty. For the past two centuries, however, China has been unable to enforce these claims.\(^ {154}\) That is now changing. Chinese claims upon the Spratlys are based, in part, on these historical considerations.\(^ {155}\) China is also concerned with excluding

\(^{151}\) The Philippines' refers to the area of the Spratlys that is claims as Kalayaan (Freedomland). Kalayaan is an administrative district of Palawan province. Khoo, 194.

\(^{152}\) Craig Snyder, Making Mischief in the South China Sea, CANCAPS Papier No. 7 (Toronto: Canadian Consortium on Asia Pacific Security, August 1995),1. For a more detailed account of the Philippines' political and military response to China's encroachment on Mischief Reef, see Valencia, 45-48.


\(^{154}\) See Marwyn S. Samuels, Contest for the South China Sea, ( New York: Methuen, 1982) for historical background on this subject.

\(^{155}\) More recently, China appears to be modifying the basis of its claim from that of historical waters to "one based on Chinese sovereignty over islands and their adjacent waters". However, the definition of "adjacent waters" is unclear;
potentially hostile navies - especially that of Japan - from its domain.  

The Spratlys are important to all claimants because of their strategic and economic potential. Strategically, the islands could serve as staging areas for military operations capable of monitoring and disrupting shipping through some of the busiest ports in the world. Economically, the area contains vast fishing grounds and, perhaps, mineral deposits. The Spratlys may also lie over a region with enormous oil and gas potential. The Chinese have estimated the South China Sea to hold more that $1 trillion dollars worth of resources. On this basis, the South China Sea is seen to be a source of "sheng cun keng jian" for the Chinese people into the next century. The need to develop these resources may force China to be more accommodating to its neighbours in the region; it would be very difficult to encourage foreign oil companies to drill for resources in the middle of a war zone. Alternatively, the need to control natural resources in order to maintain its economic momentum may create further incentives for

most of the features in the Spratly Islands do not meet the United Nations Convention on the Law of the Sea definition of "islands" and, therefore, do not possess territorial waters or Exclusive Economic Zones. (EEZs). Snyder, 7-8.

156 Huxley, 30.
157 Snyder, 1.
158 "Treacherous Shoals", 16.
159 Ibid.; Huxley, 32. The term "sheng cun keng jian" has been translated as "survival space" or "lebensraum". This translation is rather misleading, however. The Spratly Islands are obviously unable to support large numbers of settlers. The term seems to refer to the Chinese desire to exploit the alleged resources of the Spratlys in order to enhance Chinese prosperity.
China to assert its hegemony over the South China Sea.

While the geology of the region does suggest economic potential, no conclusive evidence exists that the archipelago does, in fact, sit over such enormous resources. Moreover, China does possess massive, albeit difficult to refine, oil resources in the Tarim Basin. Thus, the reasons for the Chinese focus on the South China Sea may be more complex than they appear at first glance.160

Chen Jie argues that foreigners do not fully appreciate the intensity of the emotion with which China claims the Spratly Islands. To China, other states simply have no claim on the Spratlys. According to Chen:

In (Chinese) eyes, the nature of the dispute is crystal clear: initially taking advantage of China's turbulent domestic politics and its preoccupation with superpower threats, regional countries have occupied China's islands and reefs, carved up its sea areas, and looted its marine resources. While other regional countries perceive China in recent years as aggressive and provocative in the South China Sea, Beijing intrinsically sees its assertive policy as a long-overdue and legitimate action to protect its territorial integrity.161

Controlling the Spratlys is tied to China's overall preoccupation with its national sovereignty. After losing territory to Western powers over the last century, China will not tolerate losing territory to its regional neighbours; national pride and the


161 Chen, 893. Interestingly, Chalmers Johnson explicitly rejects Chen's assertion, arguing that the Chinese claim to the Spratlys "...has not been embedded in the Chinese national psyche for much longer than a decade, if at all. However, China's claim of sovereignty over the South China Sea has become a fact of life, and China's nationalism would make it very hard to back down or compromise." Chalmers Johnson, "The Chinese Way," The Bulletin of Atomic Scientists (January-February 1997), 23.
legitimacy of the regime are at stake in this issue. This interpretation strongly suggests that there is no real room for compromise over the archipelago, as far as China is concerned. Its long-term goal must be to gain control of the Spratlys. What China can achieve in the short-term, however, is constrained by its present need for good relations with its neighbours.

Other internal political factors may play a significant role in shaping Chinese policy towards the South China Sea. These factors may be directly linked to military considerations. The desire to assert Chinese territorial claims in the South China Sea is cited by Chinese planners as one of the major reasons for the drive to increase Chinese naval capacities. However, some observers argue that the Chinese military is using the Spratlys dispute as an excuse to expand its power projection capabilities. Thus, playing up the importance of the region to Chinese national interests provides an excellent justification for the military buildup on which China has embarked since the end of the Cold War.

China's approach to the Spratlys dispute has been inconsistent and, whether by design or not, has added to the uncertainty surrounding its actions. China has generally followed a policy of

162 Huxley, 30.

163 Ibid.; Michael D. Swaine, "The PLA and China's future", Far Eastern Economic Review (March 4, 1993), 25. Further evidence that the military may be using the Spratly Islands situation to its own political advantage is its publication of the pamphlet "I Love the Spratly Islands", an apparent attempt to stir up nationalist sentiment. "Beware the dragon armed to the teeth," The Globe and Mail (Jan. 12, 1993).
making conciliatory statements, then taking provocative actions. China has developed a "three nos" policy in regard to the Spratlys: no specification of its claims, no multilateral negotiations, and no "internationalization" of the issue, including the involvement of outside powers.\textsuperscript{164} China has made a commitment to peacefully settle its claims over the Spratly Islands, and has even broached the idea of putting aside the issue of sovereignty and jointly developing the area with the other claimants. However, for China, "joint development" means:

...development of the entire South China Sea, including gas and oil production on other claimants' continental shelves— and then only after its sovereignty over the whole maritime area has been recognised. ...China's idea of joint development seems to be foreign participation in the development of China's resources - as opposed to a pooling of rights to resources in disputed areas, the more conventional mode of joint development. \textsuperscript{165}

China's opposition to a multilateral approach to the problem reflects, in part, its desire to maintain the size and power advantage it possesses in any bilateral negotiations with other disputants over the Spratlys. China has also refused to specify the exact nature and basis of its claims to the South China Sea. Whether it claims everything above and below the sea, or islands with their exclusive economic zones (EEZs) is unclear. China realizes that justifying its claims historically and under existing

\textsuperscript{164} Valencia, 12.

\textsuperscript{165} Ibid.
international law will be very difficult to defend.  

Chinese assurances regarding the peacefulness of its intentions have been undermined by its actions, such as the strengthening of its military capabilities in the region. China has based a rapid-response force on the military base it has built on Hainan Island, close to the Paracels chain. The presence of this base greatly improves China's ability to project force into the Spratlys. On February 25, 1992, China passed a law on its territorial waters that claimed all of the islets in the South China Sea. The legislation converted the waters around the Paracel and Spratly Islands into territorial waters and sanctioned the use of force to protect this "coastal zone". In May, 1992, Beijing announced that it had entered an agreement with the U.S.-based oil company Crestone Energy Corporation, to explore for oil off the Vietnamese coast. Crestone said that it was assured that its activities would be protected by the Chinese navy. 

Facing mounting apprehension on the part of regional states in 1992, China offered, once again, to negotiate the Spratlys dispute and renounce the use of force. However, ASEAN was unconvinced, and that year issued the ASEAN (or Manila) Declaration on the South

166 Valencia, 13. Valencia states that China and Taiwan's claims to the South China Sea are "in no way" supported by modern international law or the United Nations Convention on the Law of the Sea (UNCLOS) and are increasingly subject to criticism and ridicule. Valencia, 23. Gallagher says that the only independent confirmation of China's claim to the Spratly is from 1867, when a British ship encountered Chinese fishermen in the area. Gallagher, 171.


168 Ibid.
China Sea, ASEAN's first formal declaration dealing with regional security. The Declaration called for all parties to settle disputes in the region peacefully and cooperate in operations in the area. China's response to the Manila Declaration and its subsequent behaviour simply served to increase uncertainty over its long-term objectives in the region. China agreed, in principle, to the Manila Declaration. It did not pledge to abide by the Declaration, however. At an ASEAN-China consultation meeting held in July 1995, China agreed to resolve the dispute according to accepted international law. However, China also reiterated its "undisputable sovereignty" over the Spratlys at this meeting and asserted that China's national laws declaring this sovereignty would have to play a role in resolving the conflict.\(^{169}\) China's closed domestic political process and the uncertainty that this generates also helped exacerbate ASEAN's concerns over China's intentions in the South China Sea.\(^{170}\)

Indonesia does not have any direct territorial disputes with China but it is, as always, concerned with preventing China from spreading its influence in Southeast Asia as well as promoting its own political profile in the region. Since 1990, Indonesia has tried to influence the South China Sea disputes by sponsoring a


\(^{170}\) Snyder, 6, 8-9; You and You, 137-149. Taiwan has been as uncompromising as China on the question of the South China Sea. Taiwan and China have, on occasion, cooperated against other claimants in the region. See Valencia, 39-42. For a critical account of Taiwan's strategies towards its claims in the South China Sea, see Peter Kien-hong Yu, "Protecting the Spratlys," The Pacific Review, 3, No.1 (1990), 78-83. Kien-hong feels that Taiwan has not done enough to protect its interests in the archipelago.
series of annual, multilateral workshops on conflict resolution, entitled "Managing Potential Conflicts in the South China Sea". These talks are attended by academics and government officials (in an unofficial capacity) from the ASEAN states, the Indochina region and China. The talks do not deal with disputes, but are meant to facilitate cooperation in the South China Sea on a broad range of topics. The organizers hope that learning to cooperate on non-contentious issues in the South China Sea will build confidence among the disputants and foster the belief that cooperation on more controversial issues is possible. The intention of the workshops is to provide the foundation necessary to build a security regime capable of addressing regional issues, especially the Spratlys.

So far, however, the workshops have produced few tangible results. Moreover, there is the strong suspicion that China is using the workshops to buy time to both improve its military position in the Spratlys and, perhaps, continue to incrementally swallow the South China Sea. The Second Workshop, held in Bandung in July 1991, ended with the participants agreeing to recommend to their respective governments that they support a peaceful settlement of conflicts, the exercise of self-restraint in their actions, and consider the possibility of joint economic

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171 These talks are financially supported by the Canadian International Development Agency (CIDA) and afford Canada a certain amount of political prestige and stature in Southeast Asia that it would not otherwise possess. See: Snyder, 18,21,26-27.

172 For a positive evaluation of these workshops, see: Ian Townsend-Gault, "Testing the Waters: Making Progress in the South China Sea," Harvard International Review (Spring 1994),16-19.
developments. These recommendations were later formally endorsed by the 1992 ASEAN Manila Declaration on the South China Sea. In the interim, however, this initiative was undermined by China's territorial laws claiming the South China Sea. Since 1992, the workshop participants have initiated a few cooperative scientific projects, but security issues remain undiscussed. China has opposed the growth of these meetings into anything more than they already are. By the fifth meeting in Bukittinggi, Indonesia in October 1994, China and Taiwan refused to agree to limit the expansion of the military presence in the South China Sea. They also demanded that the expressed principles reached at the Bandung workshop - and which had been reiterated at subsequent workshops - be dropped from the final communique.173

The workshops should not be dismissed out of hand. However, they have been more notable for what they have not achieved than what they have accomplished. Besides rejecting suggestions to formalize the workshops, the participating states have been unable to agree on basic confidence-building measures, such as halting military expansion or creating transparency. Moreover, as the states meet and learn more about their respective positions, their differences become clearer. It appears that only Vietnam and the Philippines are committed to the workshop process; the other parties (China, Taiwan, and Malaysia) seem more interested in stalling the process. This tactic suggests that the workshops and similar diplomatic efforts are diversions which occupy the

173 Valencia, 52.
different actors while they follow policies that consolidate their military and bargaining positions.\textsuperscript{174} In the long-run, these workshops may become a powerful tool for defusing conflict over the Spratlys; for now, however, the evidence suggests that they are not particularly useful.

There are powerful legal reasons to believe that any negotiated settlement to the Spratly Islands conflict is very unlikely. Foremost among these is that even agreeing to negotiate the issue of sovereignty over the Spratlys compromises the comprehensive claims on the Islands asserted by China, Vietnam and Taiwan.\textsuperscript{175} As a result, the resolution of this dispute may be reached through force. Based on its past conflicts with Vietnam, China may be calculating that its limited use of force will not result in any long-term or significant negative consequences.\textsuperscript{176}

ASEAN has tried to present a united front in dealing with the issue of the Spratlys, but it has had limited success. The 1992 "ASEAN Manila Declaration on the South China Sea" was hailed as the first time the organization explicitly addressed a security issue. However, the Declaration itself said very little. It essentially reiterated the points agreed to at the Bandung Workshop in 1991, calling on all participants to the South China Sea dispute to exercise self-restraint and not make provocative moves in the area. Moreover, the Declaration was only achieved after the Philippines

\textsuperscript{174} Ibid., 52-53.

\textsuperscript{175} Chang, "A New Scramble," 32.

\textsuperscript{176} "Treacherous," 15.
applied considerable pressure on its ASEAN allies, and was still far less than what the Philippines wanted. However, a consensus over how to deal with China was not forthcoming; the Declaration was reworded four times, so as not to embarrass the Chinese.177

Despite being rather insubstantial, ASEAN frequently cites the Manila Declaration as the basis for action on the South China Sea. Nonetheless, it is difficult for ASEAN to unite behind a common position on this issue because of the competing claims on the Spratlys of different ASEAN states as well as the continuing divisions within the organization on how to approach China.178

After the Chinese action on Mischief Reef in 1995, ASEAN issued

...a weak statement naming no country or specific action in violation of the Manila Declaration; it could hardly have been called a protest. Moreover, neither that incident nor the situation in the South China Sea were mentioned at the Hangzhou ASEAN-China consultation a month later.179

This muted approach to Chinese provocations does not bode well for ASEAN's ability to deal effectively with China in the future, if


178 Huxley, 34.

179 Thach Hong, 15. Michael Leifer takes a more positive view of ASEAN's response to China's provocation over Mischief Reef. He claims that the ASEAN states did confront China, "informally over dinner", on the eve of the Hangzhou meeting. ASEAN was able to close ranks and present a united front in opposition to Chinese actions. This united response both surprised and disconcerted the Chinese. Michael Leifer, The ASEAN Regional Forum, Adelphi Paper No.302 (London: International Institute for Strategic Studies, July 1996), 38.
that becomes necessary.\textsuperscript{180}

The inability of the ASEAN states - who now include Vietnam - to reach a solution to their own disputes over the Spratlys casts a shadow over ASEAN. ASEAN's ability to lead the way towards a resolution of the Spratlys conflict is seriously compromised if it cannot resolve the issue within itself. Moreover, ASEAN's diplomatic unity is essential to its capacity to exercise influence over regional events.

China is not the only state that has actively pursued its interests in acquiring maritime territory in the Spratly Islands chain. With the exception of Brunei, all of the claimants have deployed troops to the Spratlys and undertaken other measures to enhance their claims to sovereignty. These claims have, unavoidably, impinged on the claims of others.\textsuperscript{181}

Tensions between the Philippines and Malaysia over the Spratlys are particularly acute, and are exacerbated by the countries' long-standing dispute over Sabah. Relations between the two ASEAN states over the Spratlys were most tense in April 1988, when Malaysia arrested 49 Filipino fishermen for illegal fishing. In September 1988, a Philippine naval officer misread a map and reported that Malaysia had violated the Philippines' waters, further stirring up national anger. The situation was made worse by

\textsuperscript{180} Chanda notes, for example, that none of the other states that have disputes with China over the Spratlys were willing to comment for his article on Beijing's actions regarding Mischief Reef. See: Chanda, "Fear," 27-28.

\textsuperscript{181} Snyder, 18. For a detailed description of the various measures being undertaken by the different claimants, see Snyder, 11-18.
rumours that Malaysia was planning to annex some Philippines-
claimed islands in the Tawi-Tawi group. In 1989, the Philippines
disclosed that Malaysia claimed about 50,000 sq. nautical miles of
fishing grounds already claimed by the Philippines. These issues
have been subject to negotiation, but not resolved.182

As already noted, China's naval capabilities are actually quite limited. Moreover, its ability to exercise influence over the Spratlys is further restricted by the distance its forces would have to travel to get to the Spratlys. This restriction does not apply to some of the other claimants, notably Vietnam and Malaysia. Nonetheless, no one claimant possesses the capability to dominate the archipelago. Even if China plans to dominate the Spratlys over the long-term, the time it would need to bring its military up to a level where that may be possible would also be used by its neighbours to improve their own military capabilities.183 Thus, whatever China's long-term plans, it will be unable to assert its will in the Spratlys for the foreseeable future. Therefore, in the short-term, any military conflict over the Islands is likely to be low intensity. The United States has also made it clear that it will act to ensure safe passage of civilian vessels through the region in the event of hostilities. Thus, China has a further

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182 Khoo, 196.

183 Michael G. Gallagher makes these basic points. He argues that China's military weakness and economic dependence is such that it really poses no credible threat to the South China Sea. See Michael G. Gallagher, "China's Illusory Threat to the South China Sea," International Security, 19, No.1 (Summer 1994), 169-194.
reason to avoid military conflict over the Islands. However, while China's present abilities preclude any immediate military struggle, it is also clear that the countries of Southeast Asia are reacting to the possibility of what China may do in the future, should its plans for military expansion come to fruition.

The development of the ASEAN Regional Forum (ARF) may hold out the possibility of a negotiated settlement to the conflict. Despite China's adamant opposition to the internationalization of the Spratlys issue, the ASEAN states managed to raise the issue of the South China Sea in the 1995 meeting of the ARF. This is a question that I will return to in the next chapter, when I discuss the ARF in greater depth.

Discussion and Analysis

The one characteristic that defines security relations in Southeast Asia today is "uncertainty". Uncertainty about the commitment of the United States to regional security and what this may imply; uncertainty about the short and long-term intentions of China; uncertainty about how these factors will affect the role of Japan in the region; and uncertainty about relations within ASEAN itself. Southeast Asia today is enjoying an unprecedented level of regional peace and economic growth. Yet the region is also more unpredictable and, perhaps, potentially unstable than it was during the Cold War.

Adding to the uncertain security environment of the region are

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184 Snyder, 9-11.

185 Huxley, 33-34; Snyder, 18,21-23,25.
the effects of economic prosperity across Asia. Many of the economies of the region are burgeoning; intra-Asian trade is significantly increasing. From an economic perspective, it seemingly makes no sense for any Asian state to destabilize the regional environment. Yet, on the other hand, it is this same economic prosperity that is fuelling the arms buildup within the entire region, and which is creating the circumstances that may be stoking the ambitions and nationalistic aspirations of states such as China. In the case of China, economic growth may even be contributing to long-term political instability by undermining central control over the state.186 Economic self-interest, in itself, will not necessarily maintain the peace in Asia.

The goals and aspirations of China are at the heart of the uncertainty in Southeast Asia and the broader Asia-Pacific. At present, China lacks the military competence to be a genuine threat to the region. It may flex its muscles in the South China Sea, but it lacks the capability to dominate the region. China has clearly stated that it depends upon a stable and prosperous regional economic environment for its own economic development and political stability. Thus, in the short-term, China is more of an economic opportunity than a threat to the regional states. Uncertainty about its long-term intentions has created anxiety among regional states. At the same time, however, this anxiety must not be exaggerated. The ASEAN states believe that China can, potentially, be socially

and politically integrated into the larger region in a manner that will mitigate its disruptive effects. 187

I believe that, in the long-term, China is a "problem" for the region. Exactly what kind of problem, however, is impossible to determine at this time. If China succeeds in its goal of turning itself into an economic powerhouse, its military buildup and its historical attitudes towards the outside world indicate that it will assert itself on a regional, and probably global, scale. If China begins to fragment, it may attempt to utilize aggressive nationalism to maintain national unity. If the state structures do disintegrate, the resulting chaos will destabilize the region as conflict within China creates refugees and economic disruption. 188

Jing-Dong Yuan argues that China is not a regional threat. 189 He points out that the military buildup in China was underway well before the decline of the Soviet Union. Thus, it is best interpreted as a necessary modernization of the PLA made more possible by economic growth and a "buyers' market" in armaments, not as an indication of an aggressive Chinese attempt to fill the regional "vacuum" left by the Soviet withdrawal and the corresponding American pullback. This is a valid point, but it does not really disprove the notion that China has aggressive intentions

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187 Denoon and Frieman, 428-429.
189 Jing-dong, 67-84.
in the region. Indeed, the argument indicates that, with or without the Cold War, China was improving its military capabilities, with the goal of eventually becoming a great power in Asia, if not globally. With the decline of the Cold War, China may simply find it easier to assert itself as a regional power. Even China's change in military doctrine during the Cold War to one of "peripheral defence" is not reassuring; peripheral defence always included the possibility of taking and holding disputed areas by force.  

Jing-dong also points out that the current Chinese military buildup may be unsustainable. China does have limited resources, and the expense, time and training involved in building a truly modern military is enormous. Nonetheless, as the debate over China's actual defence expenditures indicates, China may, in fact, be investing those resources. Moreover, arguments about current Chinese capabilities miss the essential point: regional states are far more nervous about what China does 30 years from now than in the near-future.

The realist analysis of Chinese behaviour equates growing Chinese capability with aggressive intentions. While this is simplistic, it is not entirely without support. The fact that the Chinese leadership is often described as practicing realpolitik, at least in how it views the behaviour of other states, implies that it must use the same principles to guide its own behaviour.  

In addition, China holds a view of "sovereignty" that requires

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190 Speed, 13-14.

191 Weixing, 121.
absolute freedom for a state within its own borders.\textsuperscript{192} While this notion may be outdated in the opinion of Western analysts, it is also a perspective that goes well with realist international politics. The fact that China is the one major power in Asia that may not be satisfied with the existing political status quo is another factor that must be considered.\textsuperscript{193}

Historically, China has not been an expansionist power. However, history may not be a good guide to Chinese interests in the modern era. The realities of modern military conflict and international trade require China to protect and defend its national interests over a much larger physical space than in the past. As an historical continental power, China was not overly concerned with its maritime frontier. Today, however, protecting its coastal regions and keeping open sealanes of trade and communication are essential to China's national security, and are tasks that may cause China to impinge on its neighbours' territories. At the very least, it will require China to maintain a strong presence in the region. This analysis does not require that China be an aggressive state, just that the scope and nature of its interests - and its ability to assert those interests - will increase as China grows in power.\textsuperscript{194}

\textsuperscript{192} Shambaugh, 92.

\textsuperscript{193} Chanda, "Fear," 25.

\textsuperscript{194} China is well aware that its growing population and economy will soon require far greater access to resources than it presently has. China also firmly believes that large parts of its territory have been stolen from it by neighbouring states. These combined factors contribute to the possibility that China will become more aggressive in the future. See: "Soft Border, Soft Wars,"
The notion that traditional Chinese Confucian and martial values will prevent China from "bullying" its weaker neighbours is interesting, but should be viewed with considerable scepticism. China's aggressive attitudes towards Taiwan and its belligerence in the Spratlys do not encourage much optimism for the idea that China will restrain itself when it feels its sovereignty is at issue. Moreover, the idea that Chinese values will restrain the state is strongly reminiscent of American ideals about the special moral character of United States' foreign policy. This has not prevented the U.S. from bullying and abusing its Latin American neighbours. Historian John Garver notes that:

(t)he self-perception of China as a pacific, non-threatening country that wishes nothing more than to be allowed to live in peace with its neighbours is extremely common in China, among both the elite and ordinary people.\(^{195}\)

At the same time, China regards only two of the fifteen military actions it has undertaken during its modern tenure as a state to have occurred on foreign soil.\(^{196}\) This may be a strong indication that what actors believe about themselves is not necessarily a good guide to their actions. A more important consideration is how they justify their actual behaviour.

There are strong cultural and historical reasons to argue that a strong China will pose a problem for its neighbours in the future. Sheng Lijun argues that "status-enhancement" has always

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\(^{195}\) Quoted in Chanda, "Fear," 24.

\(^{196}\) Ibid.
been a major motivating force behind China's foreign policy.\textsuperscript{197} China has consistently played international politics with the objective of creating for itself a level of influence in keeping with its own vision of its global importance. This interpretation complements China's historical experience as a great culture humiliated by Western domination for the past 150 years. China's general attitudes towards the outside world indicate that it is a frustrated power which feels that it has not been accorded the respect or prestige to which it is entitled.\textsuperscript{198} China need not be aggressive or expansionist to become embroiled in economic and political conflict with its neighbours in the future; its sense of entitlement is enough to ensure that it will probably try to dominate the region.

In the case of Southeast Asia, this may be particularly true. Chang Pao-Min talks of a "perceptional gap" between China and the states of Southeast Asia.\textsuperscript{199} He argues that the historical relationship between China and its Southeast Asian neighbours was that of a superior culture relating to inferiors in its sphere of influence. This relationship was accepted by the Southeast Asians, who looked to China as a source of cultural and political inspiration and paid tribute to China in return for protection and assistance. China had no interest in dominating its neighbours, and

\textsuperscript{197} Sheng Lijun, "China's Foreign Policy Under Status Discrepancy, Status Enhancement," \textit{Contemporary Southeast Asia}, 17, No.2 (September 1995), 101-125.

\textsuperscript{198} Chanda, "Fear," 25.

\textsuperscript{199} Chang, 181-193.
was well-regarded in the region as a benign power. The advent of Western colonialism broke this relationship. China was humiliated by the West and unable to protect its tributary states, who began to look at the West as the new standard of strength. Chinese immigration to Southeast Asia and subsequent economic success led to animosities between ethnic Chinese and local peoples.\(^\text{200}\) The dynamics of the Cold War turned communist China and the Southeast Asian states against each other. China's active support for revolutionary movements in the region further undermined its traditional image to the Southeast Asians. The process of decolonization strengthened the nationalist feelings of Southeast Asian states which were adamant to never be dominated by external powers again.

Even as events in China were affecting how Southeast Asia perceived it, China was relatively unaware of the changes going on in the larger region and still maintained a largely traditional view of its relationship with Southeast Asia. Indeed, Chang argues that Chinese animosity to the region during the Cold War was more a reaction against the intrusion of an external power - the United States - into the traditional Chinese sphere of influence, and was not directed against the people of the region. The bottom-line in this interpretation is that China continues to see itself as the pre-eminent state of the region, without fully recognizing how the

\(^{200}\) The colonial powers used Chinese immigrants to serve "middleman" functions between the colonial administration and the indigenous people. The fact that the Chinese made a profit out of these interactions contributed to communal tensions. Chang, 184.
attitudes of its smaller neighbours have changed. If China tries to assert its understanding of its historical role in the region, it will exacerbate existing tensions.\textsuperscript{201}

This interpretation of China's long-term behaviour in Southeast Asia does not necessarily imply that China will use military force to achieve its ends. The threat of force may be used, but likely in conjunction with economic pressures. The assumption underpinning the idea of a strong China in the future is that it will be an economic giant. As such, it would be willing to use that power to achieve its own ends.

One alternative interpretation of how China will evolve over the long-term is essentially a liberal argument. The liberal argument has a number of components.\textsuperscript{202} First, it argues that economic liberalization will lead to greater "democratization", causing China to become a more pacific power. However, the connection between capitalism and democracy is unproven, at best. It is just as likely that China will evolve into a "soft authoritarian" state, where the state holds the reins of power while allowing economic freedom.\textsuperscript{203} Moreover, it is not obvious that the "popular will" necessarily leads to peaceful policies, especially in a region such as Asia where so many historical ethnic conflicts remain unresolved.

\textsuperscript{201} Ibid., 188-192.

\textsuperscript{202} This discussion is based primarily on: Roy, "Hegemon," 149-168; Roy, "Consequences," 186-188.

\textsuperscript{203} Roy,"Hegemon," 157.
The second component of the liberal argument is that interdependence with the outside world will force China to moderate its behaviour. China depends on the technology, capital and markets of the international community in order to prosper; it cannot afford to lose that support. Economic interdependence, however, can lead to conflict as well as cooperation. Attempts to use economic levers to control China may backfire, antagonizing China and causing it to take the resources it needs from its neighbours.  

While this scenario is highly unlikely - China needs foreign capital and technology more than resources- it does indicate a weakness with the "enmeshment" strategy of dealing with China, which I will address in detail below.

A more telling argument against the pacifying influence of interdependence on China is the fact that the rest of the world has proven reluctant to implement sanctions against China. The international community is afraid of "isolating" China. More importantly, China is too large a market for international business to overlook. China's attractiveness to the international business community today has probably protected it against economic sanctions. That attractiveness - and China's corresponding immunity to outside pressure - is only likely to increase in the future.  

In the end, the rush of the international community to invest in China will not create a dependent, controllable state. Indeed, the entire point of China's good neighbour foreign policy is to

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204 Ibid., 158.
205 Ibid.
eventually create a powerful Chinese state that can take its rightful place in the world. Clearly, China has no desire or intention to remain dependent upon the outside world. This fact does not automatically translate into an aggressive exercise of power. It does, however, translate into power - both economic and military - that will be used to further China's interests. As Roy points out, today's relatively weak China is not averse to acting in an aggressive manner when it sees its interests at stake; how much less willing to compromise will it become as it grows in power?\textsuperscript{206}

In the long-term, the only way the interdependence argument is credible is if China's present state of relative weakness allows the international community to so penetrate China's economy that no future Chinese government would see it in its interests to engage in regional conflicts. China is unlikely to allow this to happen. There are other powerful forces motivating Chinese actions other than economics, such as nationalism. Another possibility is that the present period of interdependence may provide a window of opportunity through which the states of the region can "socialize" China into becoming a responsible, cooperative regional actor. It is this logic which underlies many of the institution-building efforts in the Asia-Pacific.

China has enormous internal problems to overcome. China has 20\% of the world's population, but only 7\% of its arable land. Much of this land is now being lost to construction booms around cities;

\textsuperscript{206} Ibid., 159-162.
China will soon become one of the world's largest importers of food. Massive environmental degradation is also accompanying economic change, and the situation is bound to become worse as China's energy consumption shoots up. Crime has skyrocketed across the country. Whether these problems are an argument for or against the idea of China as a regional threat depends on how one looks at the issue. These environmental, economic and social concerns may occupy Chinese attention and resources and act as a constraining influence on China's foreign policy. At the very least, they will ensure that China continues to maintain a "good neighbour" policy towards the Asia Pacific for the foreseeable future. This argument implies that China will remain a relatively weak state, dependent upon the outside world for its continuing economic success and, by extension, political survival.

On the other hand, economic progress is largely responsible for the massive decentralization of power and the undermining of the state that China is now experiencing. As the Chinese economy has prospered, Beijing has also lost much of its ability to govern to the economically-dynamic coastal provinces, which are actively defying central government policies and edicts in favour of their own initiatives. This undermining of central authority means that the levers of government necessary to manage many of the large problems facing China are no longer available. In addition, China is fragmenting along economic and geographical lines. The

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207 Gerald Segal, "Tying China into the International System," *Survival* 37, No.2 (Summer 1995), 61-62.
Prosperous southern coastal provinces now are more closely connected to other East Asian countries than other parts of China. The poorer northern provinces resent the increasing disparities of wealth within the country. At the same time, massive economic migration is taking place within China. The central government is caught in a no-win situation where - even if it could assert control, it cannot do so for fear of undermining the economic progress on which its legitimacy - and political stability - appear to rest. If China's economic growth slows down, the social forces currently boiling under the surface may explode. These same economic developments, however, are leading to the loss of central power and contributing to long-term instability.208

If China breaks up under internal political, economic and environmental stresses, the consequences for the neighbouring states are even more dangerous than if China emerges as a powerful, unified state. An unstable China may turn to aggressive nationalism in order to rally its population. Thus, it may provoke regional conflicts. Even if it does not resort to this tactic, internal weakness may cause the outflow of refugees to Southeast Asia and beyond, with potentially serious ramifications for the ethnic balance of the neighbouring states.

This analysis indicates that, either as the result of strength or weakness, China will likely pose a difficult challenge for the

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208 For a complete analysis of how China's internal decentralization is affecting its external policies and attitudes, see: Gerald Segal, China Changes Shape: Regionalism and Foreign Policy, Adelphi Paper #287, (London: International Institute for Strategic Studies, 1994).
states of ASEAN and the Asia-Pacific. The question of how to cope with China has preoccupied the states of the region since the end of the Cold War. The response that the different states take towards China reflects how these states see themselves in relation to China over the long-term.

Roy characterizes ASEAN's corporate policy towards China as one of "appeasement." He describes this position as:

...hold(ing)that China's development cannot be hindered or even significantly influenced by outside countries. China's emergence as a superpower should therefore be accepted, and the best way the region can prepare for this eventuality is avoid making China angry. In this formulation, the supporters of appeasement hope that China can be integrated into the international system, but they rely upon Chinese self-restraint rather than any coercive measures to ensure this outcome. Any attempts to use coercion are doomed to fail anyway, and will backfire by alienating China. Ultimately, the economic power of interdependence is supposed to tame China.

It is certainly true that the ASEAN states have, for the most part, been highly accommodating of China. They are very conscious of China as a regional power which geography has made impossible

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210 Roy cites senior Southeast Asian leaders, such as Lee Kuan Yew and Goh Chok Tong of Singapore as supporting this view. In "Hegemon on the Horizon?", 155, he also cites Lee as expressing sympathy for China in the face of Western political pressure. Prime Minister Mahathir of Malaysia is quoted as seeing the "threat from China as (no) worse than the threat from the U.S." Other Asian figures are quoted as being unconcerned about China. These statements may be interpreted as attempts to appease China.
for them to ignore. However, it is simplistic to characterize ASEAN's policy towards China as strictly one of appeasement. ASEAN is trying to be non-confrontational. As a group, it has agreed to follow a dual track process. One track involves bringing China into the region through the use of economic and institutional linkages. The other involves encouraging the creation of a balance of power in the region. In the post-Cold War period, ASEAN has essentially abandoned ZOPFAN. As the ASEAN states' attitudes towards the United States demonstrates, keeping the United States engaged in the region is a crucial part of ASEAN's security strategy. Some ASEAN states are even quietly encouraging Japan to become more involved in regional security arrangements. For the most part, the ASEAN states now consider ZOPFAN, which called for the isolation of Southeast Asia from great power politics, to be an obsolete concept. ASEAN is too integrally connected to the world economy to pursue an isolationist security policy.

As the situation in the Spratly Islands indicates, ASEAN does consider China to be a potential problem. Whether or not it will become an actual problem is too early to tell. For now, the ASEAN states are trying to keep all their options open. They are engaged

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211 This point was made by Bilahari Kausikan, Singapore's Ambassador to the United Nations and Singapore's High Commissioner to Canada. Kausikan made it clear that Singapore believes in a balance-of-power approach to regional politics, but also is not confident of the American commitment to a military presence in Asia. By contrast, China will always be in the region, and must be accommodated. Bilahari Kausikan, presentation as the York Centre for International and Strategic Studies (YCISS), April 9, 1996, 10:30 AM-12 Noon.

in economic relations with China, even as they strengthen their ties to other powers and promote regional solidarity to demonstrate they will not be coerced. 213

Malaysia recognizes and enjoys the economic benefits of close contacts with China. This has prompted the government to stress a cooperative rather than confrontational stance towards China on the issue of the Spratlys. At the same time, however, communal tensions within Malaysia between the majority Malays and the economically-dominant ethnic Chinese continue to affect China-Malaysia relations. Malaysia has not forgotten China's past history in supporting internal insurgency, and the ethnic Chinese community is still suspected of being a "fifth column" within Malaysia. Malaysian officials, especially in the armed forces, have expressed a fear of Chinese hegemonic ambitions. Malaysia's attempts to accommodate China were strained by its support for ASEAN's criticism of China's occupation of Mischief Reef. 214

Indonesia, the Philippines and Vietnam are all deeply sceptical of China's motives and behaviour. The Philippines was deeply disturbed by China's actions in regard to Mischief Reef and has promoted military modernization in response. Indonesia still maintains aspects of its ambivalent relationship with China. Many military leaders resent the influence of ethnic Chinese in Jakarta

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213 Denoon and Frieman, 429. The ambivalent and cautious reaction of ASEAN states to China is related in: Chanda, "Fear of the Dragon," 28. He quotes an American official as saying that the Southeast Asian states are caught between two views of China: one as a security threat, the other as a beneficial economic partner.

214 Huxley, 34-35; Denoon and Frieman, 431.
and also wish to play a more prominent role in Southeast Asia. Denoon and Frieman suggest that the Spratlys conflict could serve as a nationalist, anti-Chinese rallying point for whatever leadership follows Suharto. Despite closer interactions in recent years, Vietnam continues to reflect its historical suspicion of China. 215

By contrast, Thailand and Singapore are far more conciliatory towards China. Neither country has a territorial dispute with China, and both have developed close relationships with their giant neighbour in other areas. Historically, Thailand has followed a foreign policy of "bending with the wind", which basically means acquiescing to the dominant regional power of the day. That has meant, successively, Great Britain, France, and the United States. As was discussed, Thailand developed a close military relationship with China during the period of Vietnam's Invasion of Cambodia. Thailand's economic and political ties with China today are a continuation of that relationship, as well as in keeping with traditional Thai foreign policy. The withdrawal of Vietnam from Cambodia and the end of the Cold War, however, has removed much of the strategic and political rationale underlying the Thailand-China partnership. Bangkok is no longer clearly aligned with Beijing against Hanoi. Instead, the Thais have diligently pursued economic relations with the Vietnamese, too. 216 Thus, any Chinese-initiated

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215 Denoon and Frieman, 433.
216 Huxley, 35-36.
conflict in the South China Sea could strain Bangkok's loyalties.²¹⁷

Thailand-China relations are further complicated by China's increasing contact with Burma. Economic and strategic ties with China have lessened Rangoon's dependence on Bangkok and made Burma more assertive in fisheries and territorial disputes with Thailand. China's use of Burma for naval facilities on the Indian Ocean raises further concerns. Chinese military activities in Burma do not threaten Thailand directly, but do create the possibility that Burma will become the focus of military competition between China and India.²¹⁸

Denoon and Frieman characterize Singapore's relationship with China as one of "avoidance." Singapore has been largely silent about China's military behaviour. Lee Kuan Yew, Singapore's "Senior Minister," expressed the view that Chinese activities on Mischief Reef in 1995 did not necessarily indicate that China is becoming aggressive.²¹⁹ Singapore largely expresses the "appeasement" perspective in regards to China. However, it should not be forgotten that Singapore traditionally favours balance-of-power regional politics. Thus, it is likely the source of the ASEAN attempt to keep the U.S. engaged in Southeast Asia.

These different perspectives on the nature of the "China

²¹⁷ Kusuma alludes to this possibility. See: Kusuma, 526.

²¹⁸ China may be building a "reconnaissance facility" on Great Coco Island, a Burmese island which is only 30 miles north of India's Andaman Islands. Huxley, 36.

²¹⁹ Denoon and Frieman, 431.
threat" suggest that the issue has the potential to fracture ASEAN. If China behaved aggressively in the region, would Thailand and Singapore, for example, maintain intra-ASEAN unity, or would their separate economic and political interests cause them to break ranks? It is very possible that these ASEAN states would need to be convinced that it is in their interests to take a strong stand against China - something very difficult to do, especially if China continues to increase its economic and political dominance of the region and other major powers are unwilling to act as balancers. ASEAN's ambivalence towards China in regards to the Spratlys issue underlines the competing interests and perceptions in regards to China within the organization. These considerations undermine ASEAN's ability to reach a consensus on how to deal with China.

Nonetheless, despite these internal divisions and potential problems, ASEAN does appear to have adopted a strategy for dealing with China. During an interview, a high-ranking Indonesian official explained Indonesia's and ASEAN's policy towards China as one of trying to engage China in the institutions of the region. He believed that ASEAN has no choice but to try and "socialize" China into becoming a responsible and self-restrained member of the Pacific community. He argued that ASEAN had a window of opportunity in which to affect China of a few decades before China would become too powerful to be influenced by smaller external actors. However, he also believed that ASEAN's diplomatic cohesion was essential to
achieving this goal.\textsuperscript{220} This policy of engagement does seem to underlie ASEAN's actions in the post-Cold War era, a point developed further in the next chapter. Whether or not ASEAN can maintain its cohesion is another question.

In recent years, Japan has begun to reconsider its approach to China. Throughout the Cold War period, Japan's China policy reflected the conviction that commercial liberalism would, over the long-term, have a pacifying and restraining effect on China's conduct. With the end of the Cold War, however, Chinese behaviour has given Japan pause, and has caused it to assume a harder stance. China's policies in the South China Sea, nuclear weapons tests, intimidation of Taiwan, and threatening gestures towards Japan have caused the Japanese to look at China's economic progress in a more cautious light.\textsuperscript{221} While Japan has not altered its accommodative policies towards China, it is more willing to consider the possibility that China may be a difficult neighbour in the future.\textsuperscript{222}

In the United States, a debate is raging in foreign policy circles over how to deal with China. This debate mostly takes the form of advocates of "enmeshment" against supporters of

\textsuperscript{220} Interview with a high-ranking Indonesian government official, Jakarta, Indonesia, February 20, 1995.

\textsuperscript{221} As an extreme example, China threatened to develop MIRV-equipped missiles in response to Japan's decision to participate in the development of a defensive missile system. Green and Self,44.

\textsuperscript{222} For a full account of Japan's move towards "reluctant realism" when dealing with China, see: Green and Self, 35-58. Kunihiro argues that some Japanese hawks are using the inflated prospect of a "Chinese threat" as an excuse to increase military budgets. Kunihiro, 39.
"containment". Enmeshment, also known as "engagement" in U.S. government circles, involves "hard-bargaining and low-level coercion". It requires the United States and other Western powers to use their economic and technological leverage with China to seek concessions from China on issues such as economic access, arms sales and nuclear technology transfers, and human rights. The enmeshment strategy assumes that China can be molded by outside pressures.\textsuperscript{223}

There are a number of reasons to believe that enmeshment cannot work as planned. First, it cannot work forever. The more engaged China becomes in the world economy, the more leverage it gains over the states that presume to manage it. China will certainly try to change international institutions to fit its own agenda and interests once it gains the power to do so. Another weakness to enmeshment is that it requires a strong Chinese state that can actually enforce international economic agreements. This assumption may not be valid in the near future.\textsuperscript{224} The final problem with enmeshment is that, to work, it requires the support of American allies. In all likelihood, that support will not be forthcoming, especially from Asian states which must live with

\textsuperscript{223} Roy, "The 'China Threat'", 766-767. For a full account of the enmeshment approach, see Segal, "Tying China", especially 70-72.

\textsuperscript{224} The question of instability created by leadership transition in China has attracted a great deal of attention. Many commentators feel that the death of Deng Xiaoping will lead to an even weaker Chinese leadership. Lyman Miller argues that the Chinese leadership has actually been undergoing transition for some time and will likely manage the shift to post-Deng China without many difficulties. However, this does not necessarily address the problems of government power lost due to decentralization. See Lyman Miller, "Overlapping Transitions in China's Leadership," \textit{SAIS Review} (Summer-Fall 1996), 21-42.
China, and are not confident of the American military commitment to their security. Moreover, many of these states simply do not agree that enmeshment is the best way to deal with China. China is certain to be angered and alienated by coercive attempts to control its behaviour, and will not look fondly upon states that cooperate in such an effort.

The second strategy being bandied about by the Americans is that of "containment." This approach argues that China is certain to be an aggressive regional power in the future and efforts should be made to control it now. The containment strategy rests on the recruitment of allies to a coalition against China. An assertive China could rejuvenate the American-Japanese security alliance and justify the continued presence of American troops in Asia. The major problem with containment is that described above in relation to enmeshment: it is unlikely that Asian states would join an anti-Chinese alliance. Only the most outrageous Chinese aggression could push the creation of such a coalition, and even then, an absolute American commitment to the coalition would be necessary. In the long-term, it is hardly clear that any power would be capable of containing China, which is expected to become the world's biggest economy by 2020.

In the end, uncertainty is the defining characteristic of Southeast Asia and the Asia Pacific. China can go in a number of different directions, depending on the interaction of numerous domestic and international factors. What it does will ultimately force other states to react. What the United States will do in
response to China is unclear. Japan may be forced to remilitarize, with ramifications that will be felt throughout the region. India may be a power in Southeast Asia in the future. Even Russia is expected to eventually reemerge as a significant regional player in its own right. Arms races, territorial disputes and political conflict may typify the Asia Pacific in the 21st century.

On the other hand, a more likely possibility is that the region may continue to grow and prosper economically. ASEAN is doing what it can to achieve this goal by promoting the development of institutional structures for the region. These institutions, combined with the economic self-interest of maintaining a politically-stable region, may go a long way towards relieving the historical suspicions that are contributing to intra-regional tensions.

Conclusion

The objective of this chapter has been to describe the contemporary security environment of Southeast Asia. This environment is characterized by uncertainty. The United States, the traditional guarantor of security in the region, is no longer perceived by the ASEAN states as a reliable ally. It may be gradually withdrawing its military presence from the region. If so, its departure would leave a power vacuum that could lead to regional instability. Japan will act on the basis of what the United States does. If it decides that it must become an independent military power, however, its actions could lead to a regional arms race.
China is emerging as a great, but extremely dissatisfied, power. It is also the greatest source of uncertainty in the region. China has expansive territorial claims against many of its neighbours. It refuses to entertain the possibility that other states may have legitimate claims on what it sees as its traditional territory, and it appears willing to use force to resolve those claims. At the same time, however, China needs the good will and economic support of the outside world if it is to grow, prosper, and attain its full potential power. The question of how aggressive China can be in pursuing its interests before it provokes a significant backlash, however, remains unclear.

The ASEAN states are genuinely unsure of how to respond to China. At this point in time, there is simply no way to tell if China is a security threat to the region or is an economic opportunity that cannot be ignored. The individual ASEAN states have differing perceptions of China's long-term ambitions. Even so, as individual states, they all seem to agree on the need to establish and maintain a regional balance of power. This means keeping the United States militarily and politically engaged in Asia, as a check on China and a restraint on Japan. Whether or not the United States is willing or able to play that role is unclear.

As an institution, ASEAN has developed a strategy of dealing with the region that is quite distinct from the realpolitik of the balance of power approach. It is this strategy that I shall examine in Chapter Seven.
CHAPTER SEVEN: ASEAN AND THE CHALLENGE OF THE POST-COLD WAR ERA

Introduction

The last chapter discussed the many forces and associated uncertainties operating in the post-Cold War Asia Pacific. ASEAN has responded to this changing environment by attempting to strengthen its institutional structures and claim a central role for itself in regional political developments. This chapter will describe and analyze ASEAN's efforts to fulfil these objectives.

The following discussion examines three distinct ASEAN initiatives: the internal changes that ASEAN has implemented to deal with its changing regional role; ASEAN's efforts to strengthen its viability as an economic grouping; and the ASEAN Regional Forum (ARF), ASEAN's attempt to influence the regional security environment. All of these initiatives present ASEAN with unique opportunities for growth. However, the ASEAN states may have underestimated the difficulties involved in achieving their new institutional goals.\(^1\)

The answer to the critical question of why ASEAN is trying to expand and transform itself is fairly clear, but not easily explained. It is apparent that ASEAN is trying to maintain its diplomatic standing in Southeast Asia. Moreover, it is approaching regional economic and security problems by asserting its vision of the regional order against much more powerful state actors. It is

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\(^1\) For the purposes of clarity, the following discussion is limited to events that occurred within ASEAN to the end of 1995. Brief mention shall be made of more recent developments, but no attempt will be made to incorporate all aspects of these developments into the analysis.
evident that the ASEAN states believe that they are entitled to have a significant input into the political and security decisions shaping their region. They believe -- to a degree -- that if they remain unified within an expanded ASEAN, their ability to exercise political influence will increase.

Institutional Change Within ASEAN

ASEAN's Singapore Summit of 1992 introduced a number of fundamental changes to the basic structure of the organization. The Singapore Summit was the fourth meeting of the ASEAN heads of government. The first substantive change was to institutionalize summit meetings. The heads of government will now meet every three years, with informal gatherings in the interim. This move reflected ASEAN's desire to face the changing regional environment with greater solidarity. 

With a view towards facilitating the ASEAN Free Trade Area (AFTA, discussed in detail below), ASEAN dissolved its existing five economic committees and placed all aspects of economic coordination under the control of the Senior Economic Officials Meeting (SEOM), within the ASEAN Economic Ministers (AEM) structure. A ministerial-level council was also established to help implement the Common Effective Preferential Tariffs arrangement (CEPT), another aspect of AFTA. ASEAN believed a more centralized and issue-oriented approach to economic questions would be more

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2 This discussion of ASEAN's recent institutional changes is based upon Chin Kin Wah, "ASEAN: consolidation and institutional change," The Pacific Review, v.8 (#3, 1995), 433-435.
efficient.\textsuperscript{3}

ASEAN also made the decision to strengthen the ASEAN Secretariat. The Secretariat now has an openly selected staff of 30. The previous arrangement restricted the staff to 14 nationally seconded officials. Taking effect in January 1993, the new Secretariat is comprised of one deputy secretary general, four bureau directors (the Bureaux are General Affairs, Economic Cooperation, Functional Cooperation, and Economic Research), eleven assistant directors and eight (though presently 14) senior officers. The Economic Research Bureau is a new instrument, designed to provide the Secretariat with advice on the implementation of ASEAN activities. There is also a new ASEAN Cooperation Unit (ACU) to assist in the development of ASEAN programs and projects. The functions of the technical secretariats of the now-defunct economic committees have fallen to the Economic Cooperation Bureau.\textsuperscript{4}

The secretary general of the ASEAN Secretariat was re-named the secretary general of ASEAN, and given ministerial (as opposed to the previous ambassadorial) status. This change underlined the new importance of the secretary general - i.e., to initiate, advise, coordinate and implement ASEAN activities. The appointment is for five years, and can be renewed. In April 1993, the then Thai prime minister visited the Secretariat, the first ASEAN head of government to do so since it was opened in 1981. President Ramos of

\textsuperscript{3} Ibid., 433.

\textsuperscript{4} Ibid., 433-434.
the Philippines also paid a visit later that year. Nonetheless, the Secretariat remains incapable of independent action.  

Finally, an annual Senior Officials Meeting-Post-Ministerial Conference (SOM-PMC) was institutionalized as part of the effort to increase discussion of regional security initiatives with governments throughout the region. In 1992, an ASEAN Senior Official Meeting involving officials from foreign and defence ministries discussing regional security was also institutionalized.  

These efforts to streamline and enhance the institutional structure of the ASEAN organization indicate a genuine commitment to the organization on the part of its members. Even so, ASEAN remains an organization dominated by the governments of its individual states. These new measures do nothing to strengthen the supra-national potential of the organization itself. Whether or not these changes prove to be more than cosmetic remains to be seen.  

A more important and potentially disruptive development is ASEAN's decision to accept Vietnam as a member. Vietnam joined the organization in July 1995. Vietnam's membership in ASEAN has profound symbolic value. Vietnam's aggressive actions defined ASEAN for much of its history. Now, ASEAN's main antagonist has joined

5 Ibid., 434.
6 Ibid., 435.
7 Murray Hiebert and Adam Schwartz, "But Can They Sing Karaoke?," Far Eastern Economic Review (August 3, 1995), 23-24. Burma and Laos joined ASEAN in July of 1997. Cambodia was scheduled to join, but its invitation was withdrawn due to an eruption of domestic political instability and violence. ASEAN still hopes to incorporate all of Southeast Asia by the year 2000.
the fold. ASEAN's decision to allow Vietnam membership, and to fast-track the applications of the other Southeast Asian states, was pushed by Thailand, which sees itself as the economic hub of mainland Southeast Asia and saw in the membership of Indochina an opportunity to increase its own status within ASEAN. The move to expand ASEAN is partially attributable to the emotional appeal of making ASEAN a truly subregional organization. This has been a stated goal of ASEAN since its inception. It also reflects the strategic consideration that the larger ASEAN is, the louder and more influential is its institutional voice in international economic and security fora. However, the decision to incorporate Vietnam may be premature, and introduces many potential disruptive factors to ASEAN's internal relations.

To the extent that it does exist, an ASEAN community has taken 30 years to develop. Bringing Vietnam - the traditional competitor to Thailand in Indochina, and a major state that could challenge Indonesia's aspirations to regional leadership - into the ASEAN fold will be complicated and take time. For now, Vietnam is content to follow the lead of the other ASEAN states as it tries to adapt to the new demands being placed on its diplomatic service. This

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8 Michael Leifer, *The ASEAN Regional Forum*, Adelphi Paper No. 302 (London: International Institute for Strategic Studies, 1996), 47-48; Adam Schwartz, "Bigger is Better," *Far Eastern Economic Review* (July 28, 1994), 24. In a confidential interview, an Singaporean academic told me that one of the main reasons that ASEAN decided to accept Vietnam was so that Thailand would not have Vietnam all to itself. This explanation contradicts the one offered above, but it does underline the continuing existence of intra-ASEAN political rivalries.

9 For example, the need to educate diplomats and officials in English, the language of ASEAN.
could change as Vietnam becomes more self-assured and economically successful. If ASEAN's informal processes of interaction are culturally-based, as some suggest, then the incorporation of Indochina is sure to strain internal relations. There has also been speculation that a division between mainland and maritime Southeast Asia may develop. Thailand hopes to become the financial centre of Indochina. At the same time, however, it still considers Vietnam to be a security risk. Vietnam is also likely to bring its own security perspectives and concerns into ASEAN. This creates another possible internal fault-line. Vietnam's relations with China are quite amicable at the moment, but this may change if the situation concerning the Spratly Islands heats up. According to some commentators, Vietnam may be counting on ASEAN support in any conflict it has with China. If such support is not forthcoming, as it well may not be, the effect would probably be to fracture ASEAN.10

Several interview subjects suggested to me that the inclusion of Vietnam in ASEAN may require the institution to be even more flexible and informal than it has been in the past, in order to accommodate Vietnam's cultural, political and economic differences. At the same time, however, other observers suggested that ASEAN needs to become more formal and structured in order to deal with

the economic issues that it has taken upon itself, discussed below. If these apparently contradictory needs come into conflict, the resulting tension could undermine ASEAN's ability to evolve.11

Thus, admitting Vietnam to ASEAN has introduced a new and complex dimension to intra-ASEAN relations. In the short to medium term, at least, this will put pressure on intra-ASEAN unity as the different states learn to accommodate each other. This situation will only be exacerbated as more Indochinese states join ASEAN.

ASEAN and Regional Economic Initiatives

ASEAN and the Asia-Pacific Economic Cooperation (APEC) Forum

The following section briefly overviews the development of the Asia-Pacific Economic Cooperation (APEC) forum with the objective of examining how APEC is affecting the development of ASEAN.12

APEC was first proposed by Australian Prime Minister R.J. Hawke. Its first meeting was held at Canberra in November 1989. The inaugural meeting was attended by 12 countries: the six ASEAN states, Australia, the United States, Canada, Japan, New Zealand

11 Interviews with: Dr. Panitan Wattanayagorn, Bangkok, Thailand, January 16, 1995; M. Rajaretnam, Singapore, February 10, 1995; Dr. Emmanuel Lallana, Manila, Philippines, March 29, 1995.

12 An excellent overview of the political and economic factors leading to the creation of APEC is found in Donald Crone, "The Politics of Emerging Pacific Cooperation," Pacific Affairs v.65,#1 (Spring 1992),68-83. A good description an analysis of the history and nature of economic cooperation in the Pacific region is found in Richard A. Higgott, Andrew Fenton Cooper and Jenelle Bonnor "Asia-Pacific Economic Cooperation: an evolving case-study in leadership and cooperation building," International Journal 45 (Autumn 1990), 823-866. See, especially, pp. 827-841.
and South Korea. The Australian objective in calling for APEC was deliberately vague; the grouping was meant to facilitate intergovernmental consultations on the ways and means of furthering regional economic cooperation. Opinions on how to do this, however, varied from state to state. Japan, for example, wanted APEC to be the foundation of a regional economic institution; the U.S. wanted to maintain APEC as a loose consultative body. The first meeting produced three vague basic principles of APEC, which directed APEC towards furthering international trade, rejected the formation of a regional trading bloc, and promised to focus on economic rather than political or security issues.

The second ministerial meeting was in Singapore in July 1990. It established ten work projects for cooperation, and focused on promoting the flow of goods and services, technology, tourism, and other forms of economic cooperation between APEC states. APEC also called for the successful completion of the Uruguay Round of GATT, and promised to promote a non-discriminatory regional trade regime.

In 1991, the APEC Ministerial meeting was held in Seoul. The

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13 Initially, neither the United States or Canada was invited. The U.S. made known that it wanted an invitation, and was offered one; Canada's trade minister had to actively lobby for an invitation in the capitals of some participating states. The European Community was refused an invitation. Martin Rudner, APEC: The Challenges of Asia Pacific Economic Cooperation, Working Paper No.20 (Ottawa: Asian Pacific Research and Resource Centre), 8-9.

14 Hadi Soesastro, "ASEAN and APEC: do concentric circles work?," The Pacific Review, 8, No.3, (1995), 479. This account of APEC's development is based primarily on Soesastro, 475-493; Rudner, "APEC."

15 Soesastro, 479-480.
Seoul meeting admitted China, Hong Kong and Taiwan (as Chinese Taipei) to APEC. It was also in Seoul, after three years of consultation and consensus building, that the forum was able to articulate its formal objectives. The Seoul Declaration on Asia Pacific Economic Cooperation sets out the following goals for APEC:

1) to sustain the growth and development of the Asia Pacific region;
2) to enhance the positive gains accruing from increasing economic inter-dependence;
3) to develop and strengthen the open multilateral trading system;
4) to reduce barriers to trade in goods and services and investments among participants, in a manner consistent with the principles of the General Agreement on Tariffs and Trade (GATT).

The fourth APEC ministerial meeting was held in Bangkok, in September 1992. The chief agreement coming out of that meeting was to create an APEC Secretariat and an APEC Fund to support APEC-related programs and activities. The Secretariat was established in Singapore in 1993. Its purpose was to provide logistical and technical services to, and financial management of, APEC-supported activities. The 1992 meeting also agreed to establish an Eminent Persons Group (EPG), charged with formulating a vision for Asia Pacific trade to the year 2000, and to consider the issues and problems that APEC would have to face in advancing its economic

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16 Rudner, 7. These principles are somewhat more specific than those articulated at the first meeting, though not considerably so. Soesastro also lays out the principles of APEC's scope of activities, also agreed to at the Seoul meeting. See Soesastro, 480.

17 The APEC Fund is exceptionally modest, having a value of only $1 million U.S. Financial contributions were allocated on the basis of GNP; Japan and the U.S. each provided 18% of the Fund. The floor was 2.5%. Rudner, 8.
The 1993 APEC-V meeting took place in Seattle. Mexico and Papua New Guinea were admitted to APEC, and agreement was reached to admit Chile the next year. Other membership consideration would then be deferred for three years. The meeting adopted a "Declaration on APEC Trade and Investment Framework," advocated by the United States and designed to further trade liberalization and investment in the region. The new American Clinton administration had changed its approach to APEC, and wished to shape it into a "trade and investment framework" at the heart of a regional architecture for economic cooperation. The other APEC countries, however, responded cautiously to this American about-face. Most were afraid the U.S. was trying to push its own trade agenda and preferred that APEC remain a loose, consultative body. A Committee on Trade and Investment (CTI) was formally established. The EPG also presented a report, which emphasized the need for APEC to accelerate its cooperation in order to respond to threats of growing international regionalism, regional fragmentation, and the erosion of the multilateral trading system.19

U.S. President Clinton proposed an APEC Informal Leaders Meeting (AILM) immediately following the regular meeting. With the notable exception of Malaysia, all of the leaders of the APEC

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18 Ibid.

19 Soesastro, 481.
economies agreed to attend.\textsuperscript{20} The AILM took place on November 20, and resulted in an Economic Vision Statement and a list of initiatives designed to strengthen contacts between the APEC states.\textsuperscript{21} The EPG had recommended that APEC leadership summits be held every three years but, after Seattle, the summits will probably be annual events. Summits were meant to create personal bonds between APEC leaders and add impetus to the APEC community-building process. There was some evidence that the 1993 summit was effective in this respect. In 1994, meetings between APEC ministers proliferated. Fred Bergsten, the head of the EPG, concluded that "leaders in Seattle began the process of converting APEC from a purely consultative body into a substantive international institution."\textsuperscript{22}

Whether or not APEC will truly evolve in this direction remains to be seen. APEC, in fact, has demonstrated relatively little capability. At present, it still is in the process of creating confidence and familiarity between its member states. Moreover, APEC is a market-driven institution in a region supposedly committed to free trade. As a result, there should be little to negotiate between states. Thus, as Aggarwal points out, 

\footnotetext{20}{President Clinton's invitation to the APEC leaders did spark a few other controversial situations. China was unhappy over the prospect of the leaders of Hong Kong and Taiwan attending; the ASEAN states were divided on the value and purpose of a leadership summit. Singapore, Thailand and the Philippines were in favour of the initiative; Indonesia was more doubtful. Rudner,8.}

\footnotetext{21}{For a complete account of the Economic Vision Statement, see Soesastro, 482.}

\footnotetext{22}{Bergsten, cited in Soesastro, 483.}
APEC can only be a weak regime.  

The main "threats" to the open regionalism propounded by APEC are the large number of managed trade arrangements across the Asia Pacific. These are such phenomena as preferential trading agreements, trans-border investment enclaves, bilateral deals and market-sharing arrangements. Examples of these are the Closer Economic Relations and Trade Agreement between Australia and New Zealand, ASEAN's Preferential Trade Agreement (about to be supplanted by the ASEAN Free Trade Area) and "growth triangles," and the North American Free Trade Agreement (NAFTA). These arrangements are inherently exclusivist, and discriminate against non-signatories. They are also most likely to be implemented by, and work to the advantage of, larger countries. The tendency of major economies such as the United States and Japan to seek bilateral trade solutions are examples of trade discrimination that make smaller countries very nervous. The American tendency towards aggressive trading practices, retaliatory measures and market-sharing agreements often ends up diverting trade from the weaker economies of the Asia Pacific.

The exact meaning of "free and open trade" remains to be  

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24 One econometric study estimated that ASEAN would lose 4% of its 1988 exports to North America because of the trade-diverting effects of NAFTA. The European Union's Single Integrated Market was expected to cost ASEAN states 8% of the value of their exports to that market. John Ravenhill, "Economic Cooperation in Southeast Asia," Asian Survey 35, No.9 (September 1995), 854.

25 Rudner, 18-19.
negotiated by the APEC states. Questions of what to do with various trade barriers are unresolved; how to classify and identify trade barriers is unclear. What categories should be included in the process of liberalization and where some countries will fit on the fast and slow track towards free trade remains unanswered.

It is clear that the ASEAN states are not comfortable with the idea of APEC as a substantial international institution. From the outset, ASEAN expressed the fear that APEC could evolve to challenge ASEAN's status as the primary institution in the region, or at least dilute ASEAN's character by engaging its members in a wider institutional forum. ASEAN joined APEC with the understanding that the organization would be no more than a consultative body. ASEAN also tried to put itself at the centre of the process by ensuring that it is guaranteed to chair the APEC Senior Officials and Ministerial Meetings every other year.26 The ASEAN economies are the most vulnerable in the region, and are genuinely concerned that the enormous disparities in income, technology and skill levels between some APEC states could lead to dependency, increased tensions, and a North-South divide within APEC.27

In 1990, ASEAN laid out the principles under which it would participate in APEC. These principles, known as the Kuching


27 Crone, 80-83; Rudner, 7, Findlay, 138-139. Rudner notes the divisions within ASEAN, however. Indonesia and Malaysia are most concerned about APEC diluting and subordinating ASEAN, as well as with its larger economic implications. Singapore and the Philippines, on the other hand, are much more supportive of the idea of a more extensive regional trading regime.

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Consensus, stressed the need for ASEAN to remain a coherent, independent body within APEC. They also emphasized the need for APEC to be a non-binding, consultative body which could not impinge on the sovereignty of its member states, would respect economic and political differences, and would promote international trade. ASEAN envisioned APEC as, at most, as a regime designed to provide information and facilitate dialogue.28

There is now some doubt from within ASEAN itself, however, over whether or not this consensus still holds. The statements of ASEAN officials seem to indicate that ASEAN may accept the gradual institutionalization of APEC. However, ASEAN wants this to be a very incremental process. Moreover, while the ASEAN states seem willing to be "dragged along" towards the creeping institutionalization of APEC, how far they are prepared to go is still unclear.29

The EPG recommended that APEC focus on developing regional trade liberalization, facilitate trade and investment and cooperate to develop member states. ASEAN insists that these recommendations are interdependent and should be carried out together. APEC's evolving institutional structures reflect these concerns. Besides

28 For a full description of the Kuching Consensus six principles, see Soesastro, 483-484.

29 Soesastro, 485. Soesastro notes that since 1993, ASEAN has been unable to maintain a common position within APEC. In 1994, President Suharto, the host of that year's APEC meeting rejected a call from other members to hold an ASEAN caucus before the AILM, on the grounds that he did not want to give other states the impression that ASEAN was ganging up on them. This is interesting in that functioning as a bloc within APEC was supposed to be one of ASEAN's safeguards. For further comment on these points, see Frank Ching, "Growing ASEAN Faces Strains," Far Eastern Economic Review (December 29, 1994 and January 5, 1995), 23.
the Committee on Trade and Investment (CTI), APEC has also established an Economic Committee and a Committee for Development Cooperation (CDC).  

The APEC-VI meeting was held in Bogor, Indonesia in November 1994. The APEC leaders agreed at that time that free and open regional trade should be established in the region no later than 2020. Developed economies are expected to achieve this objective by 2010. While this goal is not binding, it is a political commitment that APEC probably cannot afford to miss. If APEC becomes more institutionalized and politically powerful, however, the fears of the smaller states become more legitimate. It seems evident that APEC will push states towards economic objectives further and faster than they are prepared to go. Malaysia has insisted that APEC decisions follow the ASEAN model and be based on a consensus. However, others have suggested that a consensus does not require unanimity and may allow for abstentions. Nonetheless, this compromise is being criticized as a dangerous precedent. It is one thing for Malaysia to opt out of an APEC objective; if the United States did so, however, the effect would be far greater.  

Where APEC will go in the future is still unclear. As an economic institution, it is far more notable for its slow pace of progress and its apparent tendency to take two steps forward and  

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30 Ibid., 487.

one back. Where ASEAN will go in APEC is a more interesting
question. Already, divergent interests and perspectives between the
ASEAN states - combined with their own relative weakness in
comparison to other members of APEC - has undermined their ability
to function as a coherent unit within APEC.

ASEAN and the ASEAN Free-Trade Area (AFTA)

At the 1991 ASEAN Economic Ministers' Meeting, Thailand
proposed that ASEAN create an ASEAN Free Trade Area (AFTA) for
manufactures, to be established within 15 years. The AFTA agreement
was endorsed at the January 1992 ASEAN summit in Singapore. If
fully implemented, AFTA will transform ASEAN from a loosely-knit
organization to an institutionalised economic regime. AFTA would
combine the ASEAN states into a growing market of 390 million
people (including Vietnam). ASEAN hopes that AFTA will attract more
foreign investment to the region, to take advantage of the improved
economies of scale. The ASEAN states intend AFTA to make ASEAN
products more competitive internationally. It is also meant to
create a "training ground" for ASEAN businesspeople, who will learn
to compete with each other before moving out onto the international
marketplace. These measures are meant to offset the trade-diverting
effects of other trade blocs and regional groupings. AFTA is not
designed to increase intra-ASEAN trade. ASEAN economic success is
wholly dependent on an open world economy, and ASEAN is committed

to preserving such a system.33

ASEAN decided to pursue AFTA for four distinct reasons. The first was to provide ASEAN with a new purpose. With the end of the Cold War and the Cambodian conflict, ASEAN needed a new primary function. AFTA provided an important focus and demonstration that ASEAN was still a relevant regional organization. Second, in 1992, the ASEAN states were deeply concerned about the growth of economic regionalism elsewhere in the world and the possibility that the Uruguay Round of the GATT might fail. ASEAN was also concerned that APEC would undermine ASEAN’s own trade efforts. In this context, ASEAN hoped that AFTA would provide its members with more leverage and a louder voice in international economic negotiations and with regional trade partners. Third, ASEAN was worried that international trade and investment would be diverted from its members and towards China. ASEAN hoped that AFTA would make its members more attractive and offset such a possibility. Lastly, attitudes towards trade liberalization within ASEAN had begun to change. Indonesia, Malaysia and Thailand had all experienced trade liberalization during the 1980s which had created economic growth and industrial diversification.34 Despite divisions within different states between export-oriented economic sectors and others more inclined towards protectionism, the general trend was towards an intellectual consensus within ASEAN on the benefits of


34 Singapore and Brunei are already free trade regimes.
ASEAN plans to implement AFTA by establishing a common effective preferential tariff (CEPT). Originally, the plan called for the reduction of tariffs on all intra-ASEAN trade in manufactures and processed agricultural products to a 0% - 5% range within 15 years, starting in 1993. This deadline was quickly changed to 10 years, however. AFTA is now expected to be fully implemented by 2003. A "fast" track for tariff reduction calls for certain products, constituting 37% of intra-ASEAN trade, to be set at the 0%-5% range by January 1, 2000. Two other categories allow slower timetables for tariff reductions.

AFTA allows governments to restrict imports that they judge to be harmful to national security, public morals or safety, and to protect articles of historical or cultural significance. ASEAN states are allowed to temporarily exempt products they regard as sensitive to domestic industry. A timetable for inclusion of these products under AFTA is in effect. If the products remain exempted, the other ASEAN states are entitled to penalize the relevant exports of the restricting state. Other AFTA provisions make further allowance for ASEAN states to protect domestic industry, if necessary. In contrast to the earlier PTA, the CEPT covers all manufactured items except those specifically excluded.

Ravenhill identifies the weaknesses of AFTA as falling into

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35 Ravenhill, 855-857.
36 Ibid., 857-858; Ariff, 218.
37 Ravenhill, 858-859.
two broad categories: lack of specificity of AFTA's provisions, and ASEAN's weak institutional structures and capabilities.38 The Singapore Declaration dealing with AFTA is only 12 pages long. This indicates that AFTA is as much a political response to external factors as an economic instrument. A great deal remains to be negotiated before AFTA can truly be effective. Nontariff barriers remain as serious trade impediments within ASEAN. Rules of origin and the use of AFTA's safeguard provisions remain unclear.

In the case of its institutional structures and capabilities, AFTA is particularly weak. Here, it runs into the reality of the "ASEAN way" - the fact that the ASEAN states have preferred to keep their institution informal, relatively weak and functioning on the basis of political consensus. The "ASEAN way" also indicates the ASEAN states' unwillingness to transfer any real authority to a supranational body. This kind of arrangement may work when ASEAN is focused on political issues, but it is inadequate when complicated trade disputes require resolution. Presently, AFTA refers disputes to the ASEAN Economic Ministers to address at their meetings. There is the real danger that these meetings could become bogged down in the complex details of trade disputes and subject to the political lobbying of domestic constituencies in the different states. ASEAN has also demonstrated little ability to resolve its trade disputes itself. A recent dispute between Singapore and Malaysia over trade in petrochemical products was referred to the World Trade Organization (WTO) for resolution rather than being resolved

38 Ibid., 859.
bilateral or using ASEAN mechanisms. The revamped ASEAN Secretariat remains underfunded, understaffed and incapable of dealing effectively with the complex questions raised by regional integration. Even the bureaucracies of the individual ASEAN states, with a few notable exceptions, lack the expertise and resources to properly implement AFTA. These bureaucracies may also be less than committed to AFTA, particularly those servicing domestic economic sectors that favour protectionism. 39

In the past, intra-ASEAN economic initiatives have failed for a number of reasons. Foremost among these has been that the ASEAN economies were traditionally more competitive than complementary. Throughout the 1980s, however, foreign investment in Southeast Asia changed the patterns of intra-ASEAN commerce. Now, most intra-ASEAN trade is in manufactures, much of it intraindustry trade within the region. This fact lends some credence to the idea that ASEAN may finally be able to function effectively as an economic institution. However, the changes in the ASEAN economies should not be exaggerated. Moreover, these changes do not necessarily help the process of institutionalizing AFTA.

First, the actual levels of intra-ASEAN trade have changed very little in 30 years, even if the nature of that trade has shifted. Around 20% of the ASEAN states' exports go to other ASEAN members. 40 (See Table 1) About one-sixth of these exports are

39 Ibid., 860–861.

40 By contrast, around 40% of NAFTA trade is conducted between member states; for the EU, intraregional trade is around 70%. Also, intra-ASEAN trade actually dipped during the 1970s and early 1980s; only recently has it come back.
excluded from AFTA, including some key manufactured products such as automobiles and, for some countries, automobile parts.

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Table 7.1: Share of Intra-ASEAN Exports in ASEAN Total Exports (%)

More important, aggregate figures of intra-ASEAN trade are highly misleading. In fact, about 85% of intra-ASEAN manufactures are traded between Singapore and other member states. Much of this trade is then re-exported from Singapore. When Singapore is taken out of the picture, economic interaction within ASEAN falls dramatically. (See Table 2, below) Because Singapore is a free-trade area, most exports from ASEAN states already enjoy duty-free access to Singaporean markets. Thus, AFTA's provisions will have virtually no effect on the bulk of intra-ASEAN trade. What this suggests is that even if AFTA is fully implemented, the extent of intra-ASEAN trade (excluding Singapore) is so small, it will not have a significant effect on GNP within ASEAN.42

Singapore, the wealthiest and most advanced of the ASEAN states, stands the most to gain from greater intra-regional trade. The burden of adjusting to greater liberalized trade will fall most

41 This chart is reproduced from Ravenhill, 851. It is based on the author's calculations, using the International Monetary Fund, Direction of Trade data.

42 Ibid., 862-863.
heavily on the poorest ASEAN states. The Philippines, Indonesia and Thailand have most heavily protected their domestic industries from international competition. They will be the states forced to deal

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<td>10.7</td>
<td>24.4</td>
<td>6.9</td>
<td>23.0</td>
<td>11.6</td>
<td>-</td>
</tr>
<tr>
<td>Brunei</td>
<td>0.5</td>
<td>-</td>
<td>0.0</td>
<td>0.3</td>
<td>0.0</td>
<td>1.0</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1.1</td>
<td>0.1</td>
<td>-</td>
<td>3.1</td>
<td>0.4</td>
<td>2.0</td>
<td>0.5</td>
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</tr>
<tr>
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<td>0.1</td>
<td>0.9</td>
<td>-</td>
<td>1.7</td>
<td>13.3</td>
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<tr>
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<td>-</td>
<td>1.3</td>
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</tr>
<tr>
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<td>5.1</td>
<td>8.5</td>
<td>19.3</td>
<td>3.1</td>
<td>-</td>
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<td>2.0</td>
<td>1.8</td>
<td>5.3</td>
<td>-</td>
<td>1.3</td>
</tr>
<tr>
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<td>-</td>
<td>9.4</td>
<td>2.2</td>
<td>5.1</td>
<td>3.8</td>
<td>23.0</td>
<td>4.0</td>
<td>3.9</td>
</tr>
</tbody>
</table>

(a) - not including Singapore.

Table 7.2: 1988 Intra-ASEAN Export Matrix (percentage of total exports)

with the political and social consequences of free trade. Whether or not they can afford to do so remains to be seen. This situation is exacerbated by the fact that ASEAN decided to create AFTA without consulting domestic economic interests and without considering measures that might ease the burden of transition.

There is the real possibility that the incentives favouring AFTA are not sufficient to overcome other concerns. Because the trade benefits of AFTA are quite small, ASEAN states may be more inclined towards entering larger, non-discriminatory trade

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43 This table is adapted from: Narongchai Akransanee and David Stifel, "The political economy of the ASEAN Free Trade Area," in Ross Garnaut and Peter Drysdale, ed., Asia Pacific Regionalism (Australia: Harper, 1994), 328.

44 Ravenhill, 863.
arrangements that allow for selective liberalization. This may allow them to accommodate domestic economic concerns for a longer period of time. Alternatively, different ASEAN states may be tempted to enter discriminatory arrangements with more important, extra-regional trading partners. AFTA will also have little effect on the most important forms of ASEAN economic activity. For most of the enterprises involved in export to extra-regional markets, materials and other resources are already mostly duty-free within ASEAN. Most economic activity in the region over the past two decades has occurred without intergovernmental agreements. AFTA's real advantage is in attracting companies that may want to produce for the ASEAN market, or combine production for regional and world markets. However, despite interest, most such companies are waiting to see if AFTA will be implemented.

These factors indicate the real possibility that AFTA will simply be subsumed by APEC. If APEC does get off the ground, its

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45 Using a complex economic model, Innwon Park concludes that AFTA will improve the welfare of the ASEAN states by the following percentages of national income: Indonesia-0.6%; Malaysia - 1.6%; the Philippines - 0.7%; Thailand - 1.3%. For Singapore, the improvement is a negligible 0.1%, because it is already a free trade regime. (Innwon does not include Brunei). Not surprisingly, the amount of improvement increased based on the level of economic activity that a state already had with its ASEAN partners. See: Innwon Park, Regional Integration Among the ASEAN Nations (London: Praeger, 1995), 141. While these figures may demonstrate that AFTA will improve the economic performance of the ASEAN states, the increases are small, and underline the lack of economic incentives that may undermine ASEAN's institutional growth.

46 Singapore has expressed an interest in joining NAFTA. As Ravenhill points out, this is unlikely to happen, but more because of U.S. domestic political considerations than a lack of interest in the idea in Southeast Asia. Ravenhill, 864.

47 Ibid., 865.
efforts to create a regional free-trade zone will encompass AFTA and go much further. If this is the case, it raises real questions about the utility of ASEAN as a regional economic organization. Ultimately, it calls into question whether or not ASEAN is useful or necessary for economic reasons in the post-Cold War period.

**ASEAN Economic "Growth Triangles"**

In recent years, a number of "growth triangles" or "subregional economic zones" have formed between some ASEAN states. While these zones have developed outside the institutional auspices of ASEAN, they may have significant implications for ASEAN's long-term success.  

There are presently three ASEAN "growth triangles": The Singapore-Johor-Riau (SIJORI) triangle; the Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT); and the East Asian Growth Area (EAGA) involving the Malaysian provinces of Sabah, Sarawak and Labuan, the Mindanao region of the Philippines and Brunei. The "growth triangle" concept involves linking regions with different, but complementary, comparative advantages to form a larger region with greater potential for economic growth. In the case of SIJORI,

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49 Johor and Riau are provinces of Malaysia and Indonesia, respectively. There is also a Growth Quadrangle of Mainland Southeast Asia consisting of Thailand, Laos, Burma and the Chinese province of Yunnan, but this discussion will only consider the ASEAN growth subregional economic zones. However, these non-ASEAN zones should be kept in mind as potential competitors for the loyalty and interests of the ASEAN states. Acharya, "Transnational," 174.
Singapore provides capital, an efficient infrastructure and a highly-skilled workforce to industrial projects. Johor and Riau provide cheap labour and land. All three benefit from the resulting economic development.

Growth triangles have attracted a great deal of attention because they have achieved a high-level of economic success very quickly, in contrast to the government-mandated attempts at intra-ASEAN economic integration. In one sense, the growth triangles are examples of governments allowing market forces to lead the development of regionalism. However, government initiatives and willingness to modify protectionist regulations have been necessary to create the conditions favourable to these subregional zones. Moreover, ASEAN's achievements in confidence-building were prerequisites to any significant intra-ASEAN economic cooperation.

It is still too early to tell what the long-term effects of growth triangles will be upon ASEAN, but the early signs are encouraging. Growth triangles encourage the development of economic interdependence within ASEAN, with its attendant politically-stabilizing effects. Much of the development is also taking place in economically and politically marginalized areas. Thus, growth triangles may help reduce domestic political conflict. They have the potential to attract outside investment from major powers and, therefore, increase the larger powers' stakes in regional stability.  

50 Anwar, 7-15.

51 Acharya, 176-180.
However, growth triangles can exacerbate existing tensions and create new ones. In the case of SIJORI, for example, Singapore clearly benefits from the arrangement far more than either Johor or Riau. The relationship between Singapore and its partners has been described as "master-servant" and "exploitative". The rapid development has increased the cost of living and land in the developed areas of Johor and Riau, created rapid urbanization and contributed to crime. The massive influx of workers from other parts of Malaysia and Indonesia, combined with inadequate services and housing has further exacerbated social problems. In the case of Riau, local people are being both pushed aside by newcomers from other provinces and losing their land to business interests, with little compensation. Thus, whether or not these social costs are worth the inequitable economic gains remains an issue.

Indonesia and Malaysia, as much larger states than Singapore, need to be concerned about the consequences of unequal development in different parts of their countries. Economists have already identified the need to distribute the gains in Johor and Riau to other provinces, and expressed concerns about resources being drawn away from other regions towards the growth triangles. Ethnic factors are also at play. Ethnic Chinese in Johor and Riau are at the centre of economic development, creating a greater potential

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52 Anwar, 16.

53 Anwar, 18-22. Anwar notes that the local people in Batam, Riau, are usually fishermen, so unable to benefit from the new employment opportunities. Batam's population rose from 6000 in 1973 to 115,000 in 1992, with most of the growth occurring between 1988-1992.
for domestic political upheaval. Finally, the growth triangles have the potential to create tensions within ASEAN between states that are left out and those that are included and even between different partners within an arrangement. Malaysia, for example, is suspicious of warming Singaporean-Indonesian relations, which it fears might be at its expense.

Growth triangles may eventually form the economic basis of ASEAN. ASEAN, the organization, may prove necessary to help manage these relationships. For now, however, the situation is still developing.

The ASEAN Regional Forum (ARF)

The ASEAN Regional Forum (ARF) has quickly evolved from a poorly-received trial balloon sent up by former Soviet President Mikhail Gorbachev, to a new regional institution which is carrying the burden of considerable expectations. The following discussion will trace the origins of the ARF and analyze its capabilities in light of the changing security environment in the Asia Pacific.

The idea of a regional security conference for the Asia

54 Acharya, 180-181. Anwar claims that Singapore's preference of dealing with ethnic Chinese in Indonesia is "common knowledge". Anwar, 20.

55 For a discussion of these issues, see: Michael Vatikiotis, "Chip off the block," Far Eastern Economic Review (January 7, 1993), 54.

Pacific was first broached by Soviet President Gorbachev in 1987, when he suggested a security apparatus along the lines of the Conference on Security and Cooperation in Europe (CSCE). Gareth Evans, the Australian foreign minister, took up the call in 1990, as did Canadian Foreign Minister Joe Clark. The differences between the Asian and European contexts soon made it clear that any Asian equivalent of the CSCE would need to take a very different form. Nonetheless, the idea for a security structure capable of addressing regional tensions and building confidence remained.57

Initially, the United States saw the idea of an Asian regional security forum as a threat to its own system of bilateral security relations, and was hostile to the initiative. As the American presence in Asia has decreased, however, the U.S. government has become a more enthusiastic supporter of the ARF. The American security architecture in Asia, however, remains based on its bilateral relationships.58

The ASEAN states were also initially unreceptive to the idea of a regional security forum. Asia was too complex and diverse for a CSCE-type arrangement to work, they argued. Moreover, they were afraid that another regional organization would detract from ASEAN's pre-eminence in the region.59 The ASEAN states were also afraid that any formal mechanisms could be used by the West to pressure them on issues of human rights and the environment.

57 Findlay, 136; Antolik, 118.
58 Findlay, 137, 141.
59 Findlay, 136; Antolik, 119.
However, the ASEAN states were more open to the idea of using the ASEAN Post-Ministerial Conferences (ASEAN PMC) as the venue for larger, extra-ASEAN security consultations. The ASEAN PMCs had been held since 1978. They immediately followed the annual ASEAN Ministerial Meetings and had been the forum for security dialogue within ASEAN and between ASEAN and its regional "dialogue partners".\(^6^0\) The idea of using the ASEAN PMC was appealing for two reasons. First, it allowed ASEAN to control the agenda and would reduce the risk of it being sidelined, as would happen in a new organization. Second, it allowed ASEAN to address the growing security connections between Southeast Asia and extra-regional powers. Engaging these powers in a security forum ensured ASEAN some level of influence over their actions that it would not otherwise have.

The idea of using the ASEAN PMC as a regional security apparatus was strongly and unexpectedly endorsed by Japan in 1991. It was also developed by ASEAN-ISIS, a network of security-oriented thinktanks operating in most of the ASEAN states.\(^6^1\) In the face of increasing pressure, the ASEAN states agreed to these proposals. They saw that an Asian multilateral regional security forum was in the making; "(c)onsequently, the ASEAN states decided to claim the process in the hope they could channel rather than resist the

\(^{60}\) ASEAN's "dialogue partners" are the United States, Canada, Japan, Australia, New Zealand, the EU and, more recently, Russia and China.

\(^{61}\) This proposal was put forward by Japanese Foreign Minister Nakayama. As Leifer notes, Nakayama's primary interest was in promoting "a new structure of regional relations that would perpetuate US military engagement." Including China or the Soviet Union was not considered. Leifer, 24; Antolik, 119.
momentum."^62

The ASEAN PMC gradually evolved into the ASEAN Regional Forum (ARF). The founding dinner of the ARF took place in Singapore in July 1993. The first working session of the ARF was held in Bangkok in July, 1994. This was preceded by a preparatory meeting of ARF Senior Officials (ARF-SOM) in May 1994. At this meeting, ASEAN resisted Australian and Canadian pressure to speed up the ARF process and institutionalize confidence-building measures. In this, it was supported by China, which supported the consensual approach.^64

The inaugural ARF meeting in Bangkok was deliberately low-key and unstructured. There was no formal agenda. Three hours were set aside in which 18 foreign ministers were each allotted ten minutes to address the topic of "Asia-Pacific Security - Challenges and Opportunities."^65 ASEAN's strategy was to approach the ARF very slowly, and try to make all the participants - especially China - "comfortable" with the process and the other states. The initial discussions focused on how to achieve the ARF's primary function of encouraging "a predictable and constructive pattern of

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^62 Antolik, 120. See also: Findlay, 142.

^63 Acharya, 60–64; Antolik,118–121; Leifer, 21–26.

^64 Leifer, 32.

^65 The eighteen founding members of the ARF were: the six ASEAN states (Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand), ASEAN's dialogue partners (Australia, Canada, the European Union, Japan, South Korea, New Zealand, and the United States), and China, Laos, Papua New Guinea, Russia and Vietnam. Findlay, p.143. At the inaugural meeting, the U.S. was represented by Strobe Talbott, Deputy Secretary of State. Secretary of State Warren Christopher was occupied with the Middle East at the time. Ibid.
relationships" through dialogue, and the pace at which it should proceed. ASEAN clearly registered its proprietary role in the ARF. The closed session discussed Cambodia and, briefly, the South China Sea. This last, however, was barely tolerated by China, which had earlier rejected any suggestion that the issue be negotiated within the ARF. The ARF states agreed to hold the ARF on an annual basis and also endorsed the ASEAN Treaty of Amity and Cooperation (TAC) as a "code of conduct" governing state relations.

Between the first and second ARF meetings, the organization took its first tentative steps towards creating a tangible structure. China initially objected to any meetings involving government officials, but this obstacle was overcome through Australian intervention. Three ARF-related workshops were undertaken: a seminar on confidence-building in Canberra in November 1994; a seminar on peacekeeping in Brunei in March 1995; and a seminar on preventive diplomacy in Seoul in May 1995. These workshops consisted of government official, academics and members of regional think-tanks, and were designed to accommodate Chinese concerns. The seminars produced working reports, which were

66 Singaporean Foreign Minister Wong Kan Seng, quoted in Ibid., 31.

67 The Chairman, Thai Foreign Minister Prasong Soonsiri, explicitly linked the emergence of the ARF to the ASEAN-PMCs and ASEAN initiatives. Singaporean Foreign Minister Shammugam Jayakumar stated that the ASEAN process of development would provide valuable lessons for ASEAN for when it would "...steer the ARF in subsequent years." Thailand's Deputy Foreign Minister Surin Pitsuwan also stated that "ASEAN will always have the driver's seat." Leifer, 33, 36.

68 Ibid., 34-35.
presented to the next ARF meeting in Brunei.69

During this interim period, the Philippines also discovered that China had seized and placed markers upon Mischief Reef. This discovery was made in February 1995. Filipino officials believe the reef was seized as many as six months before, at around the time of the first ARF meeting. At that meeting, China's Foreign Minister, Qian Qichen had rejected discussing the South China Sea in a multilateral forum, but had also reiterated China's peaceful intentions in the region. The Mischief Reef incident undermined China's credibility, but also called into question the ability of the ARF to instill a sense of common conduct into its members.70

The second working session of the ARF was held in Brunei, on August 1, 1995.71 For this session, ASEAN produced a "Concept Paper" which formally claimed that ASEAN had "undertaken the obligation to be the primary driving force" within the ARF.72 The Concept Paper laid out broad guidelines for future ARF meetings. First, "meetings will have no formal agenda and approach sensitive security issues in an oblique and non-confrontational manner". This

69 Ibid., 37.


71 The meeting occurred under a diplomatic cloud. At the time, relations between the United States and China were strained due to political conflict over Taiwan. China's relations with Japan were also tense due to its underground testing of nuclear weapons, and the South China Sea disputes continued to create difficulties in its relations with ASEAN. Leifer, 39.

72 Cited in Ibid., 40.
is the standard ASEAN practice. Second, the paper outlined a three-step process for the development of the ARF: confidence-building measures, followed by preventive diplomacy, followed by conflict resolution. The Concept Paper explicitly promoted the established ASEAN practices of consultation and consensus as the method of building intra-ARF relations. The paper rejected the idea of an ARF Secretariat, asserting that ASEAN would be the repository of all ARF documents and would provide the necessary support for ARF through the ASEAN Standing Committee. Finally, the paper recommended that the ARF should progress at a pace "comfortable" to all of its participants.73

The ARF ended up adopting and adapting most of the Concept Paper's recommendations. The ARF accepted that the organization would serve a consultative security function, would advance at a "comfortable" pace, and would promote confidence-building, develop preventive diplomacy and elaborate approaches to conflict (as opposed to the development of specific conflict resolution mechanisms). Two ARF structures were established to help the Chairman of the ARF-SOM make recommendations to the Forum concerning the implementation of its proposals. These were the Inter-Sessional Support Group (ISG) on Confidence Building and Inter-Sessional Meetings (ISM) created to address cooperative activities like peacekeeping and search-and-rescue coordination. These structures were designed to appear as though they functioned

on an ad hoc basis, in order to accommodate China's opposition to institutionalized ARF activities. The chairs of these intersessional groups are shared by an ASEAN and non-ASEAN state. Indonesia and Japan co-chair the ISG on confidence-building. Malaysia and Canada co-chair an ISM on peacekeeping, and the ISM on search-and-rescue cooperation and coordination is co-chaired by Singapore and the United States. 74

The second ARF meeting concluded with a statement calling for an end to nuclear testing, resumption of dialogue between North and South Korea, and an expression of concern over conflicting sovereignty claims in the region. 75 I will now evaluate some of the potential strengths and weaknesses emerging in the ARF process.

Problems and Prospects of the ARF

How the ARF is meant to and can function are questions that are open to debate. The intention of the ARF, at least in the view of the ASEAN states, is to build transparency and confidence between participating states. The resolution of specific contentious issues, however, will need to be handled in other bilateral or multilateral discussions between the contending parties. This approach is supported by Japan. Moreover, given the nature of ASEAN itself, this approach is the most logical and consistent extension of the "ASEAN way" to the larger Asia-Pacific region. However, the ASEAN way may only be applicable within ASEAN. Moreover, it is clear that all of the participants in the ARF do

74 Ibid., 42.
75 Ibid., 42-43.
not share the same expectations of the new structure.

The ARF has produced some tangible results. The occasion of the Brunei meeting provided the United States and China with an opportunity to informally address and defuse the immediate causes of their bilateral tensions. The U.S. Secretary of State's interest in the ARF increased considerably after the Brunei meeting as a result. To an extent, the ARF successfully engaged China in a discussion of the Spratly Islands dispute. China had been able to keep the South China Sea issue off the official agenda of the ARF inaugural meeting in Bangkok, in 1994. The Chairman's Statement at the end of the 1995 meeting, however, called for all disputant states to find a peaceful resolution to the Spratlys issue and abide by relevant international treaties and conventions, especially the 1992 ASEAN Manila Declaration. This new Chinese willingness to discuss the Spratlys issue may indicate a desire to negotiate a settlement to the dispute, or it might indicate a recognition of China's need to maintain good relations with Southeast Asia. Either way, it adds an element of legitimacy to the ARF process that was not clear to this point.

The second working session of the ARF was most notable for its

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76 Ibid., 43. Also, see: Murray Hiebert, "Comforting Noises," Far Eastern Economic Review (August 10, 1995), 14-16.

77 Craig Snyder, Making Mischief in the South China Sea?, CANCAPPS Paper No. 7 (Toronto: Canadian Consortium on Asia Pacific Security, August 1995), 21. Leifer argues that the Chinese concessions in this area were only those of form, not substance. China refused to actually address questions of competing sovereignty and consistently reiterated the indisputable nature of its claims. Its apparent flexibility on the South China Sea issue was probably attributable to its desire to maintain good relations with ASEAN in the face of its strained relations with the U.S. Leifer, 43-44.
more advanced tone. The participating states were more at ease with each other than during the first meeting, and shared a minimal consensus on how to proceed. Agreements reached prior to the main meeting were generally ratified. According to Leifer "(t)he meeting's principal accomplishment was the agreement on norms and procedures that gave the ARF an institutional, if embryonic, identity."\(^{78}\)

Nonetheless, the ARF process involves significant limitations. Part of the appeal of the ARF lies in the reputation of ASEAN itself as an effective regional organization.\(^ {79}\) However, as discussed in previous chapters, ASEAN's success in managing extra-ASEAN security relations is limited, and its ability to handle intra-ASEAN tensions was based on a common perception of threat and the simplifying bipolarity of the Cold War. Moreover, the realities of security in the larger Asia Pacific region, which encompass great economic, political and strategic diversity, are not equivalent to the ASEAN experience. This has led some analysts to argue for the need for smaller regional organizations that can focus more explicitly on difficult issues, rather than a large body that may not be able to give different issues the time and attention they deserve.\(^ {80}\)

The single greatest difficulty facing ASEAN and the ARF is that the ASEAN way is not really applicable to the larger Asia

\(^{78}\) Ibid., 44.

\(^{79}\) Findlay, 134-137.

\(^{80}\) Acharya, 62-63.
Pacific. The ASEAN states intend to model the ARF upon their own methods of consultation and consensus-building. They have expressed the explicit view that ASEAN's experience in confidence-building can be extended to the larger region. In fact, however, there are numerous difficulties with this argument. The ASEAN way is about managing and avoiding conflict, not resolving it. The ASEAN states seem to assume that the actual process of interaction accounts for the success of the ASEAN way. Thus, if the states of the ARF agree to work together, the processes of interaction in themselves will bring about cooperative behaviour. This may or may not be true, but it is not an accurate reflection of the emergence of the ASEAN way. In fact, the context within which ASEAN developed is fundamental to understanding why the ASEAN way has proven successful, within its own limitations. The ASEAN states had an incentive to make the ASEAN way work because they were small, weak states existing in an uncertain and potentially hostile international environment. They learned to work around their various disputes because doing so was more beneficial than allowing such disputes to undermine whatever security and influence they might possess by working together. The ASEAN way worked because the ASEAN states were weak states, of similar ideological disposition, threatened by much more powerful external actors. Clearly, this is not a description that can be applied to the dominant powers of the ARF. The United States and China, for example, are not weak powers forced to cooperate out of a fear of external threats. The context in which ASEAN and its methods of interaction developed are fundamentally different than
those of the larger Asia-Pacific. It is doubtful that those methods, in themselves, can have the same cooperative effect. The incentive to make them work is not the same. 81

Another difficulty is that most of the serious problems in the Asia Pacific are outside the scope of the ARF. With the exception of the South China Sea disputes, the most important conflicts in the region are in Northeast Asia, and involve two players - North Korea and Taiwan - who are not members of the ARF. This fact serves to further undermine ASEAN's claims to political centrality within the ARF. 82

Many of the other ARF participants have expressed their opposition to ASEAN's primacy within the ARF. From its inception, the non-ASEAN states have expressed the view that the "ASEAN Regional Forum" is only a transitional phase before the ARF becomes the "Asian Regional Forum". This view is still strongly held by the Western powers and Japan. 83 Moreover, ASEAN's feeling of entitlement to its primary diplomatic role is creating tensions within the forum. South Korea has expressed irritation at being unable to advance its own Northeast Asian dialogue. Australia has never been happy about ASEAN's proprietorial claim to the ARF, and is uncomfortable with ASEAN's slow pace of institutional

81 This argument is fully developed in: Shaun Narine, "ASEAN and the ARF: The Limits of the 'ASEAN Way',' forthcoming in Asian Survey (October, 1997). Leifer makes a similar point about the limitations of the ASEAN process in: Leifer, 45.

82 Leifer, 48.

83 Michael Vatikiotis, "Care to Join Us?," Far Eastern Economic Review (December 7, 1995), 23; Ibid., 41.
development. Some non-ASEAN actors have complained of being treated like "second-class citizens" within the ARF. 84

On the other hand, ASEAN was able to form the foundation of the ARF for compelling reasons. To the great powers, there were a number of advantages to following ASEAN's lead in the creation of the ARF. ASEAN was an existing and proven institution which could be utilized far more easily than trying to build a new structure. Moreover, engaging China in an Asia-Pacific security dialogue was one of the main concerns of the regional states. As an Asian organization, ASEAN had a much better chance of getting China to the multilateral table than any Western-inspired institution. In contrast to many other ARF participants, China continues to support ASEAN's leadership role in the ARF. China is generally suspicious of multilateral institutions, and favours ASEAN's slow and incremental approach to building regional relations. 85 However, the importance of the ARF to the larger powers should not be exaggerated. China largely joined the ARF to avoid being left out. The United States continues to place most of its interests in the maintenance of bilateral relationships. 86

Given the level of internal dissent, and the long-term

84 Leifer, 26-27,35,41.
85 "Treading Softly", 17,20. For a further discussion of China and its misgivings about the ARF, see: Snyder, 19-21.
intentions of most of the larger powers to make the ARF an "Asian Regional Forum", it seems likely that ASEAN will need to greatly reduce its control of the ARF sometime in the near future, and accept much larger roles for other states within the institution. China's support of ASEAN's position is an important consideration, but China's motivations are suspect. It approves of the ASEAN way of multilateralism in large part because it is a method of interaction that allows China to block significant progress on various issues and offset American and Japanese political influence. This is the kind of division that may ultimately undermine the ARF. However, accepting a loss of status in the ARF may seriously undermine ASEAN's internal cohesion, which is strongly linked to ASEAN's effectiveness as a regional player.

In December 1995, during the ASEAN summit of that year, Australia and Indonesia announced the conclusion of a bilateral security treaty. This development represents the first time that Indonesia officially turned to external powers for support. This is an important departure from Indonesia's traditional disposition towards non-alignment and regional self-sufficiency. It may also be interpreted as a vote of non-confidence on the part of both countries in the ARF and, perhaps, even ASEAN. Indonesia has felt uncomfortable in the ARF, due to its lesser status when compared to the dominant powers of the region. Australia has been frustrated by ASEAN's insistence on remaining in control of the ARF. Their decision to establish a security alliance outside of the ARF may be a strong statement on the utility of the organization. China's
intransigent positions on questions of territoriality may be undermining the appeal of the ARF. \textsuperscript{87}

In the final analysis, the ARF may be a non-traditional, diplomatic approach towards managing a traditional security problem: i.e., the emergence of a rising, revisionist power, namely China. The ARF is the new regional institution that is most directly concerned with integrating China into the larger region through a process of socialization. Whether or not China is either susceptible or open to this kind of approach, however, remains uncertain. Leifer argues that an organization like the ARF can help to maintain stability in a system characterized by a stable balance of power; however, it cannot help to create such a balance.\textsuperscript{88} To a large extent, this is a valid criticism. The ARF has been made possible - and proved necessary - because the great powers themselves could not agree on a way to manage their own relations. For similar reasons, ASEAN has enjoyed a level of prominence in the region on issues of security greater than it might merit.

The attitudes and statements of ASEAN statesmen regarding the ARF seem to indicate that they believe the organization can and should be much more central to the management of regional security than is realistic. However, the ASEAN states have also, more quietly, pursued policies that promote traditional balance-of-power relationships. The ASEAN states are hopeful that the ARF can serve as the basis for genuine confidence-building and conflict

\textsuperscript{87} Leifer, 50-51.

\textsuperscript{88} Ibid., 57-58.
management in the Asia Pacific. However, they are not prepared to put all of their hopes in this one option.

Discussion and Analysis

Proponents of ASEAN see the organization as the centre-piece of new security and economic arrangements in the region. After evaluating the evidence, however, it is apparent that ASEAN's ability to function as either an economic or security organization is subject to considerable qualification.

As an economic entity, the ASEAN states do not possess the clout that they need to truly influence economic policies throughout the Asia-Pacific. Being part of ASEAN will, as always, provide these states with more influence in the circles of power than they would otherwise have; but this still does not mean that they will significantly affect events. If it is ultimately successful, APEC, which includes the United States, China, Japan and Korea, will be dominated by those larger economic powers.

AFTA may be of limited utility. As with APEC, it remains to be seen if anything comes of the AFTA initiative. Moreover, even if AFTA is a "success" this may not mean much in practical terms. The ASEAN states' economies are directed outwards, especially towards the United States. As an economic regime, there may simply not be enough common interest to make AFTA work between the ASEAN states, as has been the case in the past. The one change from the past is that intra-ASEAN trade is now mostly in manufactures; this encourages the possibility of intra-ASEAN industry developing. Whether or not this can develop on a scale to make AFTA a credible
economic force, however, remains to be proven.

The ASEAN Regional Forum will only be successful insofar as it can accommodate the needs of its most powerful members. In the short-term, ASEAN may be able to affect the agenda of the ARF, but it cannot control that agenda without accommodating the demands of the more powerful states and still expect the forum to matter. Inevitably, and probably very quickly, the ARF will slip beyond ASEAN's control; indeed, it must if it is to make any difference in the region. ASEAN can continue to play a significant role in the ARF, but it must recognize that its role is not to try and set the regional security agenda, but rather to facilitate contacts between the larger powers. Moreover, the ARF is probably incapable of creating a stable environment. At its best, it can encourage the maintenance of such an environment, but if the interests of the larger powers become overtly competitive, the ARF will be rendered moot.

It is most conceivable that ASEAN can make a difference within its own boundaries. The ARF may be most effective as an internally-focused organ. Following from his argument that the greatest threat to ASEAN emanates from within ASEAN itself, J.N. Mak sees the ARF as being most useful as an intra-ASEAN confidence-building measure. For the time being, the ARF may be less valuable as an Asia-Pacific-wide forum than as an instrument designed to make ASEAN arms purchases and intentions more transparent to the ASEAN states. This will allow ASEAN to monitor its internal military balance and,
hopefully, avoid a genuine intra-ASEAN arms race.\footnote{Mak, 321.} ASEAN as a true security alliance, however, is not a possibility, unless a number of fundamental shifts in the larger security environment occur, forcing the ASEAN states to put aside their differences, and adopt a common security posture. It is difficult to imagine scenarios that would cause this to happen. Even in the unlikely event that China suddenly became an obvious threat to the states of the region, how to deal with that threat would probably end up dividing ASEAN. The ASEAN states are too divided in their security perceptions and definitions of national interest to form a common security front.\footnote{Sheldon Simon predicts that, in the future, the ASEAN states' security cooperation will be focused on intra-ASEAN bilateral relations and further subregionalization which will downgrade the importance of ASEAN. While this may be the most practical and effective way for ASEAN to advance its security interests, it does not appear to be the direction in which the ASEAN states are trying to direct their organization. In the long run, however, ASEAN may conclude that its ability to affect the larger regional security environment is limited, and return to the more circumscribed role recommended by Simon. See: Sheldon Simon, "The Regionalization of Defence in Southeast Asia," \textit{The Pacific Review} 5, No.2 (1992), 112-124.}

For the moment, however, whether or not these new institutional structures will succeed is less important than the fact that they have been created. ASEAN is making every effort to increase its regional influence by altering its size, scope, and institutional structure. AFTA was, in part, created to give ASEAN a new focus for its energies and demonstrate that it was still relevant. ASEAN's opposition to APEC was rooted in the fear that APEC would usurp its own regional primacy. When APEC became a fact,
ASEAN attempted to ensure that APEC would not become a formal institution; at the same time, it tried to ensure that it would become the central focus of the new regime.91 Similarly, ASEAN was initially opposed to the idea of a regional security dialogue. However, now that it has accepted the idea, it is aggressively promoting its own vision of how to manage regional affairs and insisting on its regional entitlements. Moreover, ASEAN's decision to expand to include Vietnam (and now most of the other Indochinese states) was strongly motivated by the belief that ASEAN's regional clout would be greatly increased by an enlarged membership.

What these developments have in common is that they demonstrate the importance ASEAN places upon its own diplomatic primacy. It is very conscious of its status as the only successful regional institution; it is protecting that status jealously. It is clear that the ASEAN states feel that they can exercise some significant degree of power and influence through political mechanisms. This is especially true in the case of the ARF, where ASEAN seems to have enjoyed the most success so far, and towards which it is directing much of its energy. It seems apparent that - with relatively little economic and political power, at least in comparison to its competitors - the ASEAN states believe that they can be effective as part of a political bloc.

91 It is interesting and telling that competing perspectives and interests have effectively undermined ASEAN's united stand on APEC. The APEC situation may be yet another example of the individual ASEAN states putting their national interests ahead of organizational concerns.
Conclusion

ASEAN has met the challenge of the post-Cold War environment by trying to expand its membership and its range of functions. Whether or not it can be successful in these endeavours remains to be seen. There are strong reasons to argue that ASEAN's ability to function as an economic institution and as the basis for a region-wide security forum is very limited.

What is more interesting, however, is that ASEAN - a group of relatively small and weak states - has taken it upon itself to try and organize economic and security relations in Southeast Asia largely on the basis of its political legitimacy alone. Maintaining and enhancing that political standing appears to be the motivation behind ASEAN's transformation in the post-Cold War period.
CHAPTER EIGHT: EXPLAINING THE EVOLUTION OF ASEAN

Introduction

The following discussion draws on the preceding chapters to explain the evolution of ASEAN. Why was ASEAN created by its members? Why did they maintain it from 1967-1991? Why are they transforming it -- i.e., increasing its membership and expanding the scope of its activities -- in the post-Cold War era? I return to the theories discussed in Chapter Two to examine each phase of ASEAN's evolution.

I conclude that none of these theories offers an adequate answer to the primary research questions. The rationalist theoretical approaches completely fail to explain ASEAN's evolution. ASEAN cannot be understood as a functional regime. Despite aspirations to being an economic institution, ASEAN has proven unable to create the binding structures necessary for such an endeavour. This failure reflects a lack of common interests in economic cooperation between its member states. ASEAN also does not contribute, in a material sense, to the security of its members.

Constructivism also does not explain ASEAN's evolution. There are indications that the ASEAN states are moving towards a more inclusive regional identity. However, the process of collective identity formation is still in a very preliminary stage and cannot explain the institution's development.

The international society approach offers the strongest explanation of ASEAN's evolution. ASEAN is best understood as a collection of self-interested states who have cooperated for the
purpose of shaping the region's interactions. ASEAN has evolved in response to regional threat, but the nature of that threat has usually been political and ideological. ASEAN is a political statement about the conduct of inter-state relations in Southeast Asia. It reflects its members' commitment to order, stability and the institution of state sovereignty.

However, the international society approach cannot offer a complete explanation for ASEAN's conduct, especially when it is used to examine the reasons for ASEAN's transformation. Despite its focus on the importance of international rules and norms, the international society perspective is still a realist approach to the study of international relations which privileges the role of power in shaping state interactions. In the post-Cold War era, ASEAN is asserting itself in a manner that is not justified by its material capabilities. Nonetheless, the international society approach is still useful for pointing towards the importance of rule-governed behaviour for understanding ASEAN's activities.

Interpreting the Data: Explaining ASEAN

The following discussion will draw on the previous chapters and original research to answer the critical questions of this dissertation: what factors explain ASEAN's creation, maintenance and transformation? Do the dominant theoretical approaches to explaining regimes - neoliberalism, realism and constructivist theory - offer any useful insights into ASEAN? Or does the international society approach offer the most coherent answers to the questions I am asking? Table 8.1, reproduced from Chapter Two,
shall serve as a guide in answering these questions. I shall present my original research for this project in detail when I deal with the question of ASEAN's transformation. The research itself was mostly directed towards that particular question and is of limited utility in the discussions of ASEAN's creation and maintenance during the Cold War.

<table>
<thead>
<tr>
<th>Reasons for ASEAN: =&gt;</th>
<th>Creation</th>
<th>Maintenance</th>
<th>Transformation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Realism</td>
<td>a response to material threat; successful at distributing gains.</td>
<td>persistence of material threat.</td>
<td>increase in material threat causes growth in regime. Decrease in threat causes weakening or dissolution.</td>
</tr>
<tr>
<td>Neoliberal Institutionalism</td>
<td>response to specific collaboration/coordination problem.</td>
<td>successful management of problem. Provides information, transparency, reduces transaction costs.</td>
<td>spillover into related issue areas.</td>
</tr>
<tr>
<td>Constructivist Theory (Formation of Collective Identity)</td>
<td>some antecedent of nascent common identification.</td>
<td>intensification of shared identities, international social structures. Increases chances of cooperative behaviour.</td>
<td>change in state identities. This may entail broadening and deepening of shared identities.</td>
</tr>
<tr>
<td>International Society Approach</td>
<td>expression of common values, goals, enhances international order.</td>
<td>demonstrated effectiveness as political institution.</td>
<td>belief in increased ability to affect/enhance international order.</td>
</tr>
</tbody>
</table>

Table 8.1: How the Different International Relations Theories Explain the Evolution of ASEAN

**Explaining the Creation of ASEAN**

The Neoliberal Institutionalist Explanation

Neoliberal institutionalism cannot explain the creation of ASEAN. ASEAN is definitely a regime, as defined by Krasner: it embodies and is governed by "principles, norms, rules and decision-
making procedures" around which its members expectations converge.¹ When it was created, it expressed the intention of furthering cooperation in a variety of issue-areas, most notably regional economic cooperation. ASEAN's founding states also created organizational structures to further its activities. However, ASEAN did not function as neoliberalism expects regimes to function.

In neoliberalism, states create regimes to help them overcome specific cooperation problems. Regimes address specific issue areas by devising institutional mechanisms and articulating rules and norms that allow cooperative behaviour between states. The general condition of anarchy requires that a regime be tightly focused on its function, at least during its formative stage. As the historical review of ASEAN indicates, this pattern does not describe ASEAN's emergence.

ASEAN was created to deal with a series of problems. It was meant to alleviate tensions between the ASEAN states, facilitate intra-ASEAN economic cooperation, and create a united political front to face the threat of externally-sponsored communist insurgency. ASEAN's primarily political and security purposes, however, could not be openly articulated. The ASEAN states were not ready to make any strong commitment to a regime, given that intra-ASEAN tensions were still strong. They were also leery of antagonizing China, the putative source of external threat. Even as an economic regime, ASEAN only expressed the intention of building

regional cooperation, without committing to how this could be done. ASEAN was neither ready nor able to specifically address the problems for which it was created. ASEAN's lack of specificity is what made its establishment possible, a fact completely at odds with the logic of neoliberalism.

ASEAN's creation is not adequately explained by neoliberal institutionalism. The fit between the theory's expectations and ASEAN's reality is poor.

The Realist Explanation

Realism assumes that states are motivated primarily by a concern with their security. Institutions are unimportant, unless they can enhance a state's security - usually as part of a security alliance - or function as monitoring devices to ensure that the gains from cooperative activities are distributed in a politically and materially acceptable manner. These power-based theories of regimes have limited application to the question of ASEAN's creation.

Krasner and Grieco both present realist interpretations of regimes that portray them as valuable for their ability to affect the distribution of the gains resulting from cooperation between states. In the case of both approaches, the anarchical nature of the international system and the associated difficulty of cooperation means that regimes must be very specific and directed at particular problems or issue areas. For realism, this requirement of specificity is even stronger than for neoliberalism, given the even greater difficulties associated with cooperation.
Again, this simply is not the case with ASEAN; political realities meant that ASEAN addressed its central issues indirectly. The political and social characteristics of ASEAN's creation cannot be explained by the realist interpretation of institutions.

Realism also focuses on the effect of unifying threats and the pursuit of security on international cooperation. Realism predicts that states will form alliances and cooperative relationships to deal with common threats. ASEAN cannot be understood without recognizing that it was an attempt by its members to enhance their domestic and regional security in response to international threats. However, the nature of these threats and their relationship to each other cannot be adequately addressed by realism. Realism identifies material threats to the security of a state as being at the root of state action. The threats confronted by ASEAN's creation in 1967, however, were not primarily material but political and ideological - categories that most forms of realism explicitly reject. ASEAN was not a response to material threats. Nonetheless, this assertion needs to be developed.

At the time of its creation, ASEAN's most immediate need was to deal with the tensions between its members. Konfrontasi was still fresh in the minds of most ASEAN states. Thus, in keeping with the realist focus on material threats, I will examine the effect of the physical threats that the ASEAN states posed to each other. Can ASEAN's creation be partially explained as an attempt to enhance the members states' security by directly addressing intra-ASEAN military tensions? It cannot, for two related reasons.
First, while it is true that the ASEAN states did pose, to a very small degree, direct military threats to each other, ASEAN, the organization, was not necessary to deal with these tensions. Border agreements between many of the different states existed before the creation of ASEAN. In some cases, these agreements predated ASEAN by years. In other cases, they were brought into being by the end of Konfrontasi. While ASEAN may have later contributed to the process of intra-organizational confidence building and, indirectly, the proliferation of other security arrangements, the connection between these security agreements and ASEAN in 1967 is tenuous. ASEAN was not necessary to security cooperation between its members. This is not to argue that alleviating intra-ASEAN tensions was not an important motivating force behind ASEAN; it certainly was. However, ASEAN addressed these tensions at the political level and as a confidence-building measure.

Second, the importance of the intra-ASEAN tensions as unifying factors cannot be understood outside of their connection to external, extra-ASEAN threats. By itself, internal threat pushing ASEAN together (i.e., the image of antagonistic states pulling together because of their antagonism) is incongruous and counter-intuitive. This internal threat, however, was conditioned by the larger external threat. The ASEAN states' internal conflicts helped to exacerbate the effects of other, externally-supported

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2 At the time of ASEAN's creation, Malaysia was involved in tense disputes over territorial boundaries and the promotion of internal subversion with all of its ASEAN neighbours. Indonesia had also been in Konfrontasi with Singapore.
insurgencies. Thus, by agreeing not to fight each other, the ASEAN states removed one source of internal irritation and strengthened their own abilities to oppose communist and ethnic insurgencies.

Thus, I need to consider the nature of the external threat. ASEAN was created, in part, to address the reality of externally-supported communist insurgency. Privately, the ASEAN states identified China as the inspiration and sponsor for communist insurgencies in the region. However - contrary to realist expectations - the ASEAN states did not respond to this threat by creating a military pact. Indeed, ASEAN explicitly avoided any sort of military cooperation. This failure to form a military bloc is explained by four factors. First, all of the ASEAN states - with the exception of Indonesia - were engaged in (as far as they knew at the time) reliable relationships with external powers. Singapore and Malaysia were protected by Britain; Thailand and the Philippines were home to major American bases. At the time, the U.S. had not articulated the Guam Doctrine, and its Asian allies still viewed it as committed to the fight against communism. Thus, the ASEAN states already had a military balance against communism. Partially as a result of these connections, China was not seen as a serious direct military threat. Second, the ASEAN states simply distrusted each other too much to enter any military pact. Third, they were also unwilling to form an alliance explicitly directed against any regional power.

Most important, however, is that the ASEAN states perceived China as an ideological and political threat to their stability,
not as a military threat. China was most dangerous as a source of support, inspiration and direction to indigenous communist movements. ASEAN was created as a political response to the ideological threat of communism. This point needs to be emphasized: to the ASEAN states, the primary threat from communism was not in the physical threat that it posed to the different states, but in the political challenge that it posed to the existing regimes. This interpretation is borne out by the ASEAN focus on economic cooperation primarily as a means to alleviate social and political tensions.

Thus, ASEAN's creation cannot be understood as a response to direct material threats. First, the physical threats that the ASEAN states posed to each other could be and were addressed by border agreements and other cooperative relationships outside of, and predating, ASEAN. Second, the unifying impact of these internal divisions must be understood within their larger context of greater external threats. Here again, however, material external threats do not explain ASEAN's creation. ASEAN was not a response to the military dangers posed by regional communism. ASEAN was a political and ideological response to a political and ideological threat. Realism cannot explain this motivation. In the end, therefore, it is a poor theoretical fit to explain ASEAN's creation.

The Constructivist Explanation

Testing the constructivist explanation for the creation of ASEAN means looking for indications that the ASEAN states were
beginning to develop a collective identity. Are there indications that interactions between the ASEAN states preceding the creation of the regime, along with the identification of common values and objectives, contributed to the formation of ASEAN? If so, do these factors explain ASEAN's creation?

The ASEAN states did recognize shared interests, objectives and values in the period between Konfrontasi and the creation of ASEAN. These factors made greater cooperation possible. However, while the ASEAN states did identify with each other more strongly before the creation of ASEAN (for example, in their shared aversion to communism, after Indonesia moved to the political right) there is no evidence that this was enough to explain ASEAN's creation.

In 1967, there was relatively little positive interaction between the ASEAN states. Malaysia and Singapore were newly created independent states; Indonesia was undergoing a major upheaval that was radically altering its international and internal dispositions. The ASEAN states recognized the benefits of regionalism, and shared a desire to be masters in their own region. They agreed on the need to diversify their political connections, reduce their dependence on external actors, and even talked of military and economic cooperation. However, as the negotiations for the creation of ASEAN demonstrated, the states were unwilling to give up outside guarantees for their security and could not completely bury their own suspicions of each other or their differing security perceptions. The states shared many aspirations, and processes of interaction did help alleviate tensions between them. However,
this did not help to create collective identity, just a recognition of common interests and perceptions. These factors were necessary to make ASEAN a possibility, but they do not, by themselves, explain why the member states actually pursued the creation of a regime. The constructivist explanation for ASEAN's creation is a poor fit.

The International Society Explanation

The international society approach identifies states' commitment to the maintenance of the international order as the common value underpinning a pluralist international society. Whatever their own disagreements with the international order, most states recognize that order and stability are necessary prerequisites to their own political and economic well-being. The only states that would disagree with this assessment are those that are severely disadvantaged by the operation of international society. The international society perspective argues that states are committed to the institutions of the international system: international law, diplomacy, the balance of power, great power management, and war. There may often be a tension between the operation of these institutions, and some states may favour some institutions over others. Nonetheless, states recognize the importance of order. From this perspective, therefore, the creation of ASEAN should be explicable as an example of an institution formed to contribute to the existing international and regional order.

ASEAN was, indeed, created by its members to contribute to an
orderly and stable regional environment. It grew directly out of circumstances of regional disorder and instability, an experience which reinforced the commitment of its member states to rule-governed international behaviour. In contrast to realism, the international society approach readily recognizes ideological and normative factors as being critically important to the conduct of international politics; it easily accommodates the idea of ASEAN as a political response to perceived political threats. The international society approach describes an international society of rules and norms which effectively govern state conduct. These normative structures necessarily reflect the concerns and values of the most powerful states. ASEAN was an attempt to influence and reinforce those rules and norms by explicitly endorsing some of the critical institutions of the international system, particularly the institution of sovereignty. It is important to recognize that ASEAN did not challenge the existing fundamental norms of the international society. However, it did interpret them in a way that maximized the independence of its member states.

ASEAN strongly endorsed the international institutions of international law and diplomacy. However, its commitment to the other fundamental institutions of international society is more questionable. It explicitly rejected war as an instrument of state policy. The ASEAN states' reaction to the balance of power and

3 "Sovereignty" fits under the more general rubric of international law.

4 In rejecting war, the ASEAN states indicated an even stronger commitment to international law and diplomacy even if, symbolically, they were rejecting another international institution. However, it should be remembered that the
great power management was more ambivalent. On the surface, they rejected both; in the ASEAN Declaration, they expressed the desire to manage their own affairs and be free of great power entanglements. ASEAN's stated desires were the logical extensions of its interpretation of state sovereignty. The member states could only enjoy their sovereignty if they were free of great power intervention. However, understanding this situation requires making a distinction between ASEAN, the organization, and the behaviour of its members. The security policies of individual ASEAN states actually implicitly accepted and, in some cases, even encouraged great power activities in the region. Thailand and the Philippines housed American bases; Singapore and Malaysia supported British military installations. The smaller ASEAN states, notably Singapore, also saw a great power presence as a way to check Indonesia, indicating that a regional balance of power was also at work.

This tension between the operation of international institutions is inherent in the international society approach. ASEAN, the regime, represented an ideal interpretation of the sovereign rights of small states. Thus, it expressed an opposition to the balance of power and great power management of the international system. The ASEAN states as individual units, however, had a much more ambivalent relationship to these

rejection of war operated between the ASEAN states and did not seem to extend to Communist states. At the time of ASEAN's creation, the Philippines, Singapore and Thailand were all enthusiastic supporters of, or participants in, the American "containment effort" in Vietnam.

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institutions. They were willing to accept ASEAN's aspirations as an ideal, but in practice supported the operation of a balance of power.

ASEAN's creation was an attempt to promote and reinforce a pattern of international conduct and order, especially in the aftermath of Konfrontasi and in the face of external regional threats. ASEAN's creation may be best understood as a political statement by its members, to each other and the outside world, registering their renewed commitment to the institution of international law, particularly the concepts of sovereignty and national independence. This political statement, while it should not be overestimated, carried political power within the international social structure. However, a distinction must be made between ASEAN, the regime, and its member states. Also, it must be recognized that the ASEAN states also hoped the institution would be the foundation for greater functional cooperation. It was not intended to remain a symbolic representation. That was all that it could be at that time, however, given the inability of its members to reach consensus on more than basic principles.

The theoretical fit between ASEAN's creation and the international society approach is good.

*Explaining the Maintenance of ASEAN: 1967-1991*

*The Neoliberal Institutionalist Explanation*

Neoliberal institutionalism is incapable of explaining the maintenance of ASEAN. Again, this is largely because the nature of international interaction assumed by the theory does not describe
ASEAN's activities during the Cold War period. During this period, despite some institutional development, ASEAN still did not focus its energies into any specific issue areas. The organization remained, largely, a kind of generalized cooperative endeavour. By design and out of political necessity, the "ASEAN way" meant that the organization was largely non-binding and highly flexible. Neoliberalism's focus on regimes as reducing uncertainty between members by providing information, creating a sense of legal liability and reducing transaction costs, all in specific issue areas, did not apply to the ASEAN experience. ASEAN's one effort to institutionalize and operate in a manner amenable to neoliberal concepts was in the area of economics. However, ASEAN's economic endeavours were failures. This is not to argue that ASEAN did not provide valuable information to its members and reduce uncertainty between them. However, it did this within the context of generalized cooperation. This is not a format that is amenable to neoliberal theory, which assumes that cooperation between states is difficult. It is also important to note that the neoliberal assertion that regimes create a sense of legal liability directly contradicted ASEAN's explicit desire to avoid the sense of legal liability that would accompany a more institutionalized regime. The theoretical fit to neoliberalism is poor.

The Realist Explanation

Krasner's and Grieco's realist interpretations of institutions imply that if a regime continues to distribute gains in a politically-acceptable manner, or can serve as a vehicle for
bargaining about cooperation for powerful states, then states will maintain it for its usefulness. Again, however, these approaches require specific issue-areas on which to focus, and well-defined regime structures that can keep track of the distribution of gains. These conditions do not describe the ASEAN experience. The only gains that ASEAN produced were political gains, which are not considered by the realist approaches.⁵

Realism predicts that states will maintain an institution and promote its growth if it proves effective in helping its members overcome material security threats. By this logic, ASEAN's members maintained it because it served to enhance the security of its members against the physical threats of outside powers. This does not necessarily mean that ASEAN should have formed a military bloc (though that is likely) but rather that it served a function that enhanced the material ability of its members to confront external military threats. Thus, ASEAN could have formed an economic or military alliance motivated by concerns about security. ASEAN did not follow either of these paths, however. During ASEAN's maintenance phase, from 1967-1990, the organization was faced with the possibility - however unlikely - of military threat. Its corporate response, however, was political in nature.

During the Cold War, ASEAN was faced with two main security

⁵ If these approaches did consider political gains, they would still have difficulty explaining ASEAN during the maintenance period. It is clear that, during the period of the Vietnamese invasion of Cambodia, the political gains of the organization were inequitably distributed to the benefit of Thailand and, perhaps, the detriment of Indonesia. Nonetheless, Indonesia remained committed to ASEAN, despite its frustration with the situation.
threats. The first was the re-emergence of China as a regional and international actor, accompanied by the perceived decline in the American security commitment to Southeast Asian. As during ASEAN's creation, China posed very little direct military danger to the ASEAN states; it was far more of a political threat. From a realist perspective, which focuses exclusively on physical capabilities, it may not have been a threat at all. Nonetheless, the ASEAN states perceived it as such, and took this political threat seriously.

ASEAN responded to China's emergence by issuing the ZOPFAN Declaration. ZOPFAN was a response that could neither be predicted nor explained by realism. ZOPFAN was a declaratory, political response to a political and ideological danger. For realism, it would have been logical for ASEAN to strengthen its internal connections (economic and military) to cope with a perceived China threat. If there was no threat, the act of initiating ZOPFAN was really just a waste of resources.6 It was a declaratory position that carried no practical weight.

The second major threat was Vietnam's reunification under communist rule. Initially, there was a real fear in the region that Vietnam's massive arsenal of Eastern bloc and captured American weaponry would find its way to insurgency movements in the region. However, even this fear was not enough to push ASEAN towards a military accommodation, despite Indonesia's broaching the idea. What it did do was cause ASEAN to issue the Treaty of Amity and

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6 ZOPFAN did absorb a considerable amount of resources. Remember that the process of defining and developing the concept and its associated documents took four years. The Treaty of Amity and Cooperation was part of the ZOPFAN process.
Cooperation (TAC) as a code of conduct for the region -- again, to adopt a declaratory position on how it wanted regional states to conduct their relations -- and pledge to strengthen its internal economic ties. This economic initiative fits into the realist model. However, despite its stated intentions, ASEAN's plans to foster regional economic integration during the Cold War failed dismally. The sense of threat was not enough to cause the ASEAN states to put aside their national economic interests to cooperate on a regional basis.

Vietnam's 1978 invasion of Cambodia caused the ASEAN states greater concern. Early in the conflict, the ASEAN states pledged to send troops and other support to Thailand if necessary. This never proved necessary, however, and ASEAN's focus remained upon constructing a diplomatic and economic response to Vietnam's actions. Thus, as a military or economic response to material threats, ASEAN was a failure during this period.

ASEAN may have had more of an indirect military and economic function. During the Cold War period and especially after the Vietnam invasion of Cambodia, the ASEAN states did increase the level and scope of their border agreements and cooperative military exercises. These arrangements took place outside of ASEAN auspices, however. While ASEAN may have helped make these exercises more likely, it is also possible that they would have taken place anyway, given the increasing perception of regional threat. To reiterate an earlier point, border agreements between competitive ASEAN states predated ASEAN. The regime was not necessary to create
such agreements. Moreover, ASEAN's possible indirect military effects in this regard do not really explain the institution's durability. It would have been an enormous waste of resources to sustain the entire ASEAN structure for the sake of a few military exercises. Clearly, while ASEAN's contribution to these activities may have been important, it was not the reason ASEAN was maintained.

Finally, other realist concerns help to explain why ASEAN could not develop into a strong military or economic organization. The continuing levels of distrust within ASEAN and its desire to avoid antagonizing much more powerful neighbours play a role. However, these factors simply explain why ASEAN could not become the kind of organization emphasized by realists; they do not explain why it was maintained.

In the final analysis, realism does a poor job of explaining ASEAN's maintenance. There is no way to link the spectre of material threats to ASEAN's maintenance. Most of the threats that ASEAN faced during this period, in a physical sense, were not serious dangers to the survival of its member states. The organization was maintained for other reasons. The general direction of ASEAN's development during this period was quite

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7 Remember that this assessment applies even to Vietnam's invasion of Cambodia. Thailand, the ASEAN front-line state, never felt that its survival was at stake after the invasion. It was unhappy, however, to lose Cambodia as a buffer between itself and Vietnam, and it was concerned about the possibility of Vietnam supporting insurgencies within Thailand. It also did not want Vietnam to assume a dominant political position in Indochina. However, if China had not opposed Vietnam's actions for its own reasons, Thailand and the other ASEAN states would have learned to live with the Cambodian occupation; it was not an issue that would have compelled them to act.
different from what a realist analysis expects.

The Constructivist Explanation

Constructivism focuses on the development of a collective identity as the explanation for ASEAN's maintenance in the Cold War period. Through interaction, the ASEAN states should have constructed identities and interests that reflected a strong identification with the organization and each other. ASEAN should have symbolically represented important values and commitments.

Constructivist theory predicts a gradual, evolutionary process of collective identity formation. This is exactly the process described by many observers of ASEAN. Frost argues that ASEAN's development between 1967 and 1975 was slow and unimpressive, but it allowed the creation of regular contacts between state leaders that later served as the basis for more ambitious cooperative efforts.

Nonetheless, the evidence is overwhelming that, during the Cold War, the commitment of the ASEAN states to ASEAN was based on common interests, not a growing collective identity. From the time of ZOPFAN, differences in security perceptions and identifications of threat set definite limits on the degree to which ASEAN could cooperate. The mechanisms of the "ASEAN way" allowed ASEAN to work around these disputes, but not resolve them. These differences became especially acute during the Vietnam Invasion of Cambodia. At that time, Indonesia demonstrated a distinct commitment to ASEAN. However, that commitment was based on a sense of its own need for ASEAN as an instrument of regional leadership and reconciliation. Moreover, Indonesia's commitment to ASEAN actually wavered as time
went on and the situation with Vietnam became less acceptable to Indonesia's national interests. Thailand's diplomatic about-face in regards to the Vietnam/Cambodia conflict is the most telling indication of an ASEAN state's lack of national commitment to the organization. Thailand had been the front-line state in ASEAN's struggle with Vietnam, had set ASEAN's organizational agenda and participated in the full-range of ASEAN's activities. Nonetheless, Thailand changed its position with regard to Vietnam/Cambodia without considering how doing so would affect ASEAN's internal cohesion or international standing.8

There is no example of intra-ASEAN cooperation during the Cold War period that cannot be explained by the ASEAN states acting in their own self-interests. In some cases, notably Indonesia, long-term self-interest was at play, but there is no need to introduce transformations in identity to explain the ASEAN states' actions.

It is true that numerous intra-ASEAN disputes were put aside and not allowed to stand in the way of cooperation. The best example of this is the Malaysia-Philippines dispute over Sabah. This conflict scuttled the ASA and undermined ASEAN during its early years. The two states were eventually willing to work around the issue. However, this can be explained by both the growth of external threat forcing cooperation in ASEAN and the benefits of economic success creating a vested interest among the ASEAN states.

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8 As discussed in Chapter Four, the situation is not quite this simple. The Thai foreign ministry continued to disagree with, and even obstruct, the changes in Thailand's foreign policy, which had been initiated by two successive prime ministers. Eventually, however, the foreign ministry was brought on side, and actively supported the new policy.
to maintain their own good relations. ASEAN's efforts at furthering intra-ASEAN economic cooperation also do not support the constructivist argument. These efforts ultimately failed because of a lack of political will, fed by an unwillingness to put regional economic initiatives before individual interests.

On the other hand, there is strong circumstantial evidence to support the contention that ASEAN positively altered the social relationships of its members and increased their level of identification with one another. It is difficult to dismiss the argument that the personal relationships between state leaders and government officials, fostered by ASEAN, altered the perception of threat and antagonism between the member states. Certainly the level of political cooperation and consultation between the ASEAN states increased considerably between 1967 and the end of the Cold War. Even if these cooperative initiatives were facilitated and motivated by self-interested concerns, this does not alter the fact that levels of tension within ASEAN dropped considerably. Under these conditions of reduced intra-ASEAN threat, it became possible for the member states to see their outstanding disputes as less important than in the past. This appears to be an example of behavioural strategic practice. The rhetorical practices of the ASEAN states during this period reflected an attempt to create a sense of regional solidarity and propriety. There is also evidence

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9 This is demonstrated by the appeal to such things as the "ASEAN spirit" and the "ASEAN way". Michael Antolik discusses the importance and meanings of ASEAN's symbols, arguing that the word "ASEAN" represents "good faith and good neighborliness" between its members, among other things. See: Michael Antolik, ASEAN and the Diplomacy of Accommodation (Armonk: M.E. Sharpe, 1990), 5.
to suggest that the inclination of external actors to treat the
ASEAN states as a bloc had a significant effect on causing ASEAN to
act as a bloc. The identities of the ASEAN states were affected by
the expectations of outside actors.

The ASEAN states were not interdependent in any economic
sense. They did experience mutual vulnerability in the form of a
common ideological threat. This is another factor that contributes
to the development of interdependence and, from that, collective
identity. However, mutual vulnerability was addressed by the
maintenance of ASEAN, not the formation of a collective identity.

In the end, the ASEAN states did not develop a significant
collective identity during the Cold War period. This is not to
suggest that the ASEAN states interests and identities did not
alter in regards to one another. The ASEAN states moved further
towards the positive end of Wendt's continuum of identification
than they were when the organization was created. However, this is
not enough to explain ASEAN's maintenance. When pressed, the ASEAN
states clearly and consistently placed their individual national
interests and perspectives before the interests of the
organization. The constructivist explanation of ASEAN's maintenance
is poor.

The International Society Explanation

The international society approach emphasizes that states
pursue order within international society. This implies that states
maintain regimes that are demonstrably effective at influencing and
strengthening international order. Regimes can do this by
supporting one or more of the fundamental international institutions; supporting them all, however, is difficult as the institutions are often in conflict. States' commitment to a regime should decline if its ability to enhance order decreases. ASEAN's activities during the Cold War accord with this interpretation to a significant degree.

During its early formative years, ASEAN was best known for its declaratory position on regional order, ZOPFAN. ZOPFAN demonstrated -- within the limits of the political realities surrounding its creation -- that ASEAN was dedicated to the principles of sovereignty and non-intervention and, by extension, opposed to the operation of other international institutions that would infringe on these rights, such as the balance-of-power and great power management of the international society. As was the case during ASEAN's creation, the ASEAN states were ambivalent about the legitimate role of external powers in Asia. Nonetheless, ASEAN allowed its members to put on record their own ideas about the importance of certain international institutions and present their own interpretation of international rules and norms. ASEAN, the institution, was representative of ASEAN's commitment to international law.

These activities increased with the reunification of Vietnam. ASEAN perceived Vietnam as a potential revolutionary power that might attempt to undermine its member states. The Treaty of Amity

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10 This is especially true in the case of ZOPFAN, which started as a Malaysian attempt to recognize a preeminent role for the great powers, especially China, in Southeast Asia.
and Cooperation (TAC) was an explicit attempt by ASEAN to set the rules of conduct within Southeast Asia. The TAC was implicitly directed at Vietnam, though it also constituted a non-aggression pact between the ASEAN states. At this point, maintaining ASEAN as a vehicle through which to articulate a regional vision became more important to its member states.

ASEAN's contribution to regional order became even more pronounced after Vietnam's invasion of Cambodia. Vietnam's actions were a direct challenge to ASEAN's TAC and the fundamental international institution represented by ASEAN itself. ASEAN defended its corporate decision to oppose Vietnam's actions as necessary to uphold its stated principles of acceptable regional conduct. ASEAN found that it attracted far more political attention than it had anticipated; its ability to concretely affect international order by defending the principles of that order correspondingly increased. It is important to recognize that ASEAN's political influence during this period -- i.e., its ability to convince other states to follow its lead in opposing Vietnam's actions -- was based upon its defence of principles that were important to the international community. ASEAN did not have the economic or military resources to support its position; its appeal was founded solely upon the need for international society to uphold certain standards of conduct.

ASEAN's institutional policies began to demonstrate a stronger collaboration with, and implicit support for, the other international institutions underpinning international society,
besides international law. By its involvement in creation of the Coalition Government of Democratic Kampuchea (CGDK) and its part in the overall China-United States strategy against Vietnam, ASEAN accepted the idea of using war to, ostensibly, defend the principles of international conduct. It also became part of the operation of the balance-of-power between the great powers. ASEAN enabled its members to play a significant -- if limited -- political role in the conduct of regional events. By enabling its members to more fully participate in the institutions of international society, ASEAN both reinforced that society and increased its members' political influence.

However, this assessment requires considerable qualification. The question of how to deal with the great powers was a major source of contention within ASEAN; indeed, in a sense, it split the organization and limited its political options. In practice, ASEAN and most of its individual members followed policies that promoted the operation of great power management and the balance of power. However, ASEAN's only uncontroversial institutional commitment was, again, to international law and the norm of sovereignty.

Therefore, from the international society perspective, ASEAN's members maintained it during the Cold War period because of its demonstrated ability to promote the institution of international law. ASEAN directly and indirectly promoted other institutions during the period of Vietnam's invasion of Cambodia, and this tendency, even if often contradictory, also enhanced ASEAN's influence. However, ASEAN's greatest contribution as an independent
entity was towards international law and the defence of common international principles.

Ultimately, however, ASEAN's effectiveness was limited. The ASEAN united front was undermined by ASEAN's inability to resolve the Cambodian conflict, by differences in security perceptions between the ASEAN states, and by the great powers taking over management of the situation. The commitment of some ASEAN states to the institution began to falter, as indicated by Thailand's diplomatic defection. However, ASEAN was still left with the strong sense of its own ability, under the right conditions, to exercise international political influence. The feeling that ASEAN had achieved a high degree of international legitimacy and prestige was based mostly on its understanding of its political role in the Cambodian conflict.

Overall, the fit between the international society approach and its ability to explain the maintenance of ASEAN is good. This fit is mostly due to the fact that this theoretical approach does consider the exercise of normative power by states to be a legitimate and effective form of political activity. From 1967-1991, ASEAN was maintained by its members because it provided them with a forum through which to articulate a unifying regional and political vision, based on a particular understanding of sovereignty. ASEAN became more important during the Vietnam

11 Thailand's policy shift, as argued in Chapter Four, had much to do with a shift in the governing elites, as well as changes in perception in the Prime Minister's office. However, it is important to note that Thailand partially justified its actions as necessary in the wake of the failure of ASEAN diplomatic initiatives.
conflict when it also became the logical instrument through which to politically defend that vision. The fact that ASEAN was fairly effective in that role further increased its value to its members. Even though ASEAN had distinct limitations, it still enabled its members to exercise a greater influence over regional events than would have been possible without it.

**Explaining the Transformation of ASEAN**

**Analyzing the Data**

The following discussion addresses the reasons for ASEAN's attempts to expand its scope, increase its membership and rebuild its institutional structures in the post-Cold War period. The research conducted for this project and outlined in Chapter Two is directly relevant to this discussion.

A breakdown of the research is presented in Table 8.2: Catalogue of Interview Subject Responses According to Theory. The table expresses how interview subjects addressed the concerns of neoliberal, realist, constructivist, and international society theories. The vertical axis lists the interview subjects by number (1-27); their country of origin is indicated by the accompanying legend. The horizontal axis indicates the different theoretical principles/indicators. Which principles correspond to which letters is indicated under the legend "Theories." If, for example, a subject strongly indicated that maintaining stability was an important reason for the transformation of ASEAN, his/her response
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S - Strong  M - Moderate  W - Weak

**Interview Subjects:**
- Thailand: 1-8
- Singapore: 9-11
- Brunei: 12
- Indonesia: 13-19
- Malaysia: 20-23
- Philippines: 24-27

**Theories:**
- Neoliberalism: A - Providing Information
- B - Reduce Transaction Costs
- C - Create Legal Liability
- Realism: D - Provide Material Security
- Constructivism: E - Sense of Regional Interest
- F - Sense of Collective Identity
- G - Building Social Connections
- International Society: H - Creating/Enhancing Stability
- I - International Influence Through Unity
would go onto the chart under "H" (creating/enhancing stability) as "Y(S)" (Yes-strong). I charted the interview subjects responses on the basis of the issues they explicitly addressed. Thus, for example, only one person discussed whether or not ASEAN created a sense of legal liability, and that was to reject the proposition.

Virtually none of the interview subjects identified the indicators for neoliberalism or realism as relevant considerations for explaining ASEAN's post-Cold War transformation. The constructivist approach fared considerably better, as a large number of interview subjects identified the creation and maintenance of social connections as an important ASEAN activity. However, combined, a greater number of respondents (often the same subjects) explicitly rejected the idea that the ASEAN states form a collective identity or pursue regional interests. A large number of respondents identified ASEAN's contribution to regional stability as a major factor underpinning its maintenance and transformation in the post-Cold War. The second most common reason for transforming ASEAN - because it enhances its member states' diplomatic and political influence - is also only understandable in the context of international society. I will discuss these findings in greater detail below.

The Neoliberal Institutionalist Explanation

Neoliberalism, again, cannot shed much light on ASEAN's post-Cold War transformation. Neoliberals do allow for the possibility that regimes may take on new and different functions during the course of their lives. Implicit in this allowance is the
possibility that a regime may gradually shift its focus away from the original issue that served as the basis of its creation. The regime will probably expand its focus into an area related to its previous function. In this sense, neoliberalism draws on the notion of "spillover effects" from traditional functional theories of regional integration. However, even here, the linkages and possibility of side-payments that may develop between regimes occur over time and within carefully-defined structures. ASEAN does not fit this pattern of spillover.

The analysis of the interview data clearly underlines the inapplicability of neoliberalism to this study. Neoliberalism identifies the provision of information, the creation of "legal liability" and reduction of transaction costs as the major functions of regimes. ASEAN's growth and transformation could be explained if these functions were perceived by its members to be both particularly important and necessary to extend to other issue-areas. None of the subjects interviewed for this project regarded these functions as important reasons for maintaining ASEAN. No interview subjects identified "legal liability" as a reason for maintaining or expanding ASEAN, though one subject did explicitly reject it as a factor. Only one subject referred to "transaction costs" as a factor, and placed only moderate emphasis upon it. These findings are not surprising, given my earlier discussion of the inapplicability of neoliberalism to ASEAN. ASEAN simply does

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not function in the way assumed by neoliberalism.

It is possible that neoliberalism will become much more relevant for describing ASEAN if it continues to institutionalize its operations and define its range of activities. For now, however, these considerations do not play a role in explaining ASEAN's post-Cold War activities. Neoliberalism can offer only a poor explanation of the transformation of ASEAN.13

The Realist Explanation

Realism implies that ASEAN is growing and transforming in response to an increase in material threats to the security of its members. Is the level of physical threat in post-Cold War Southeast Asia enough to account for ASEAN's transformation? In fact, it is not. China is certainly more of a potential physical threat to the ASEAN states today than at any point in the past 50 years. Its military is more powerful than ever before; its economic growth is fuelling its emergence as a great power. However, as the discussion in Chapter Six made clear, China is not currently a genuine threat to the states of the region. China presently lacks the ability to project force or sustain conflict any distance from its shores. It is still more formidable than any of the individual ASEAN states, but it could not engage in military actions against these states

13 Interestingly, only one interview subject, Major-General Soebijakto in Indonesia, identified ASEAN's economic aspirations as a significant factor in transforming the institution in the post-Cold War. He felt that ASEAN's integration as an economic and political bloc was likely to occur, driven by economic forces. Other interview subjects expressed the opinion that economics was important, but adopted a wait-and-see attitude towards initiatives such as AFTA. This approach seemed reasonable to me, given ASEAN's past failures at economic integration. Still other interviewees expressed the view that AFTA was likely to fail.
without considerable military risk and potential cost. In the face of its relative military weakness, and its corresponding need for the political and economic support of its neighbours, China should not be enough of a threat to force ASEAN's expansion. Though this may be a consideration in the future it does not explain ASEAN's transformation in the present.

Moreover, even if it could be demonstrated that China was a credible material threat to the ASEAN states, the nature of ASEAN's transformation is not understandable using realist principles. ASEAN shows no signs of becoming a military regime, as realism implies it should. No one I interviewed suggested that ASEAN had any military role to play in the future. One person explicitly rejected this possibility. Instead, ASEAN is transforming by increasing its efforts to facilitate regional economic integration, is trying to expand its activities into larger regional structures, i.e. APEC and the ARF, and adding new members. These are economic and political initiatives.

For realism, the only way that ASEAN's transformation would make sense is if the ASEAN states hoped to form an economic counterbalance to other forces in the region. However, there is little to suggest that ASEAN's attempts to further its regional economic standing is attributable to an underlying concern with external military threats.

Realist theory cannot explain ASEAN's transformation.

The Constructivist Explanation

The constructivist explanation of ASEAN's post-Cold War
transformation focuses on the creation of a collective identity. Have the ASEAN states maintained ASEAN because of a growing sense of regional commitment? The interview subjects who addressed this question strongly indicated that this was not the case. Only four interview subjects felt that the ASEAN states had any sense of regional interest. Only one felt that such a commitment was strong. Among the interview subjects who addressed the questions of ASEAN's sense of regional interest and collective identity, the general consensus was that the ASEAN states are self-interested actors with a generally weak sense of regional interest or collective identity. Nonetheless, the one indicator that attracted the most support was that an important part of ASEAN's regional role was creating and sustaining social connections between its member states.

This data suggest that, while the ASEAN states do not form a strong collective identity, they do believe that social interactions are significant factors contributing to intra-ASEAN stability. This may indicate that ASEAN states do identify with one another to some degree and do recognize certain obligations and common values. In themselves, these considerations are not enough to explain ASEAN's transformation in the post-Cold War, but they contribute to the desire to keep the organization alive.

These factors cannot explain the critical question of why ASEAN is expanding its membership and activities. ASEAN's decision to add more members essentially proves that a sense of collective identity is not a major factor motivating ASEAN's continued
Vietnam, ASEAN's major enemy for so many years, will need to undergo a significant process of socialization before it can become fully accepted into ASEAN. This process would be even more difficult if ASEAN constituted a significant collective identity by itself.

Given this analysis, the constructivist fit to explain ASEAN's transformation is poor.

The International Society Explanation

The international society approach predicts that states will strengthen a regime if they believe that doing so will increase the regime's ability to enhance international order and promote stability. When I questioned my interview subjects on why the ASEAN states were strengthening the institution in the post-Cold War, a significant number identified the maintenance of order and stability as the primary motivating force behind the transformation. On this basis, the international society approach attracted the most solid support of the different theories as a way of explaining the transformation of ASEAN and appears to be a solid fit as an answer to the question of why the ASEAN states are transforming ASEAN. However, the situation is not quite this straightforward, as I will explain below.

The second most common answer given by the interview subjects to the question of why ASEAN was strengthening itself was that the

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14 Vietnam joined ASEAN in July 1995. For the purposes of this discussion, I will limit my comments to Vietnam's membership in ASEAN. Burma and Laos were admitted to ASEAN in August, 1997. Cambodia remains outside of the institution for now, until it deals with its domestic political problems.
institution had proven to increase the diplomatic and political clout of the ASEAN states in the international arena. The ASEAN states believed that their individual influence was, and would continue to be, greatly enhanced as part of a larger bloc. Even those interview subjects who expressed some scepticism as to the extent of ASEAN's influence, agreed that the influence of any individual ASEAN state was increased by being part of the organization. It is important to recognize that this response is not predicted by any of the theories that I have reviewed, including the international society approach. However, in contrast to realism, neoliberalism and constructivism, the international society approach readily explains this response. From the international society perspective, it is entirely plausible that smaller states will band together to increase their diplomatic clout. The ability to appeal to and interpret the rules of the international system, thereby exercising some degree of political influence, is not restricted to powerful states. However, international society theory does suggest that small states can have only a limited effect on the conduct of international relations. The more closely they adhere to the established structures and rules of the system, the more likely they are to be

15 Fifteen interview subjects identified this factor. Seven identified this factor as a strong consideration; six saw this as moderately important; two identified it as a "weak" factor explaining ASEAN's transformation.

16 Ambassador Villa of the Philippines, who has had direct dealings with foreign powers such as the United States and European Union, claimed that his personal experience verified that ASEAN had greater bargaining power and was regarded more seriously by powerful states than any individual ASEAN member.
heard.

The situation in Southeast Asia today is complicated by the fact that the region is in a state of flux. In the contemporary Asia Pacific, the institutions of balance of power and great power management are in transition. International society theory does not directly address how to understand this kind of social evolution. It assumes that states establish stable orders based on the fundamental institutions of international society. When those institutions are in transition, the theory is largely inapplicable. However, its concepts and principles make it possible to understand that a change is occurring and do suggest that states will seek order in an uncertain environment by turning to the remaining institutions. From this perspective, ASEAN's increased commitment to its own guiding principles and its attempts to fill the institutional vacuum left by the end of the Cold War are attempts to establish and/or reinforce a stable environment. This argument is developed below. Again, however, the post-Cold War environment is a situation of disorder that is technically outside of the international society approach.

Based on this analysis, the international society approach is a fair fit for explaining ASEAN's transformation and expansion.

Theoretical Conclusions

Table 8.3 expresses the theoretical fit of the different approaches to the research questions.
None of the theories I have examined fully account for ASEAN's creation, maintenance, and transformation. The rationalist approaches, realism and neoliberalism, fail to explain ASEAN. Constructivism captures certain aspects of ASEAN's evolution, but is still a poor fit for answering the research questions. The international society approach is most useful, but explains ASEAN at a fairly abstract level and still leaves important aspects of ASEAN's activities and motivations unexamined. However, all of the theories do offer some insights - even indirectly - into ASEAN's workings.

The failure of neoliberalism and realism, the two dominant approaches to IR theory and international institutions, to explain ASEAN's development at any stage is particularly interesting and requires further analysis. These theories failed to account for ASEAN's evolution largely because they focus on material incentives to explain state action. ASEAN cannot be intelligibly understood in such terms. ASEAN is not a functional regime. This is not simply proof, however, that ASEAN is a different kind of regime, perhaps one specific to "Asian values". In fact, ASEAN has always aspired to be a functional regime, as indicated by its attempts to foster

<table>
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<tr>
<th>Explanation of</th>
<th>Creation</th>
<th>Maintenance</th>
<th>Transformation</th>
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<td>ASEAN's: =&gt;</td>
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<tr>
<td>Realism</td>
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<td>Neoliberal</td>
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<td>Institutionalism</td>
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<tr>
<td>Constructivist Theory</td>
<td>Poor</td>
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<td>International Society</td>
<td>Good</td>
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Table 8.3: Explanatory Fit of Theoretical Approaches to ASEAN's Development
economic integration and some of its members' occasional broaching of the possibility of ASEAN-wide military cooperation. Yet, to date, the ASEAN states have not recognized enough common economic interests to make ASEAN a coherent economic entity, despite their best efforts. Similarly, ASEAN has been unable to form the basis of a viable military alliance because its members cannot agree on security threats and still do not entirely trust each other. ASEAN's reluctance to form binding, well-defined structures is a reflection of this lack of common interests. The "ASEAN way" has allowed the institution to survive, but it is also symptomatic of real weakness within ASEAN. The fact that ASEAN is limited by its lack of common interests is an important consideration that any analysis of the institution must take into account.

These observations, however, underscore the fact that realism and neoliberalism would not expect ASEAN to exist at all. Yet the regime has shown remarkable durability. The rationalist theories may point out the limitations of ASEAN, but they are unable to explain its evolution. By focusing entirely on material incentives for explaining state action, they fail to account for the political and ideological factors that shape state behaviour and perceptions. By allowing its members to address these factors, ASEAN has managed to persevere and prosper.

Constructivism also offers some interesting insights into ASEAN. There is no reason to believe that the ASEAN states constitute a collective identity, as indicated by the research data and the historical analysis of ASEAN's development. Most of the
Interview subjects who addressed the question clearly rejected the notion that the ASEAN states recognized a regional interest or formed a collective identity. Nonetheless, it is true that the ASEAN member states identify more closely with each other today than in 1967, when the regime was created. ASEAN has been instrumental in improving their relations. The states—or at least the relevant actors within states—have undergone a slight shift in identity when relating to one another. ASEAN's function as a confidence-building mechanism between its members has been very important to intra-regional relations. Again, this is clearly indicated by the research data; most of the research subjects identified ASEAN's social functions as important. The ASEAN states are still self-interested actors who put their interests ahead of other considerations. A sense of belonging and commitment to ASEAN and its other members plays virtually no role, that I can determine, in explaining the evolution of ASEAN. However, ASEAN's function as a confidence-building measure between its members is an important and beneficial side-effect of ASEAN's activities.

The international society approach is the best fit for explaining ASEAN's evolution through to the present because it describes ASEAN's reality in two important ways: first, it advances the idea that rules and norms exercise an independent and necessary influence on the conduct of states. The ASEAN states' efforts to create, maintain and transform ASEAN only make sense if they regard international norms and rules as significant influences on state behaviour. Second, the international society approach portrays
states as self-interested actors who obey rules and cooperate because they recognize it is in their interests to do so. The ASEAN states are very much self-interested actors who are working together because they recognize common political - as distinct from economic and security - interests.

ASEAN is, fundamentally, a political and diplomatic entity. The international society approach makes it possible to understand ASEAN in this way. As assumed by the theory, the ASEAN states are concerned with creating and maintaining regional order and stability; as a result, they are also strongly committed to rule-governed behaviour. They are essentially status quo powers which strongly support the principle of sovereignty within international law. ASEAN, the organization, allows them to express these commitments and their sense of regional entitlement. Throughout its history, ASEAN has been most effective at issuing declarations and articulating a vision of regional order based on the principles of sovereignty and the non-use of force. The ASEAN Declaration, the ZOPFAN Declaration, and the Treaty of Amity and Co-operation were examples of this focus. They defined ASEAN's code of conduct for state interaction. ASEAN's activities during the Vietnam invasion of Cambodia were, ostensibly, in defense of these principles. From the international society perspective, these initiatives indicate the ASEAN states' commitment to some of the core principles of international law. Most importantly, these initiatives matter. They are not simply empty expressions of ideals. International society is governed by laws and rules which operate to maintain and promote
international order and stability. Thus, an organization such as ASEAN, which reinforces and draws attention to the need for these international constraints, can be an influential actor. In creating and maintaining ASEAN, its members were serving a useful and politically significant purpose.

At the same time, however, international law is not the only force at work in international society. The international society approach explains the Cold War ASEAN as an expression of its members' commitment to international law, or at least their interpretation of certain principles of international law. ASEAN was not a symbol of commitment to other fundamental institutions, notably the balance of power and great power management. These institutions conflicted with ASEAN's focus on state sovereignty. Nonetheless, as individual states, most of ASEAN's members subscribed to and supported the regional manifestations of these other institutions. Like many other small states, the ASEAN states preferred and advocated an international system governed by law, based on the practice of respect for sovereignty. ASEAN was the ASEAN states' contribution to the practice of rule-governed behaviour in international society. However, they were also willing to accept and accommodate the realities of power politics, especially as the security of most of them was dependent on external powers. This analysis indicates that an understanding of ASEAN from this period must be tempered by an awareness of the other factors motivating the ASEAN states as self-interested actors who had their own security perceptions and conceptions of their
national interests. ASEAN, and the commitments it represented, often came after these other considerations.

After Vietnam's invasion of Cambodia, ASEAN turned its commitment to its expressed principles into political action and influence. During this period, ASEAN's institutional activities were more influential than ever before. ASEAN's discovery that it could command international political attention in defense of its principles provided a strong reason for maintaining the regime. At the same time, ASEAN, the organization, became more closely aligned to and supportive of great power institutions. The increase in ASEAN's influence was partly related to its willingness to cooperate with external actors. This turn away from its traditional focus on promoting its regional vision created strains within ASEAN that were only resolved with the end of the Cambodian conflict.

As noted above, the international society approach is designed to describe and explain a stable international society.17 Southeast Asia today is not unstable, but it is a region in transition. Thus, in a strict sense, the theory does not apply to the present situation. However, this is the only theory I have utilized which accommodates ASEAN as a political regime. Its principles and the assumptions it makes about state conduct offer a credible

17 This is implied by the fact that the international society approach privileges "order" as the primary motivation of states. The theory assumes that states are dedicated to the status quo, preferring what is known, predictable and orderly, to what is unknown and potentially disorderly. It is on the basis of this assumption that many commentators have criticized Bull for putting order before other considerations in the international system. If all the fundamental institutions of the international society are not functioning properly, then international order is impossible.
explanation for ASEAN's attempts at transformation.

In the modern era, the operation of important international institutions in the Asia Pacific is highly uncertain. It is not clear if or how the balance of power or great power management of international society function; at present, the United States, China and other major powers are still trying to define their new relationships. For international institutions to function properly, states have to decide to make them work; to this point in time, the great powers have not yet made those decisions in the Pacific. This has contributed to the general sense of uncertainty in the region.

ASEAN has stepped into this institutional vacuum. The ASEAN states are trying to maintain order and stability in a highly uncertain environment by both encouraging diplomatic contact and trying to set rules of interaction derived from international law, but interpreted in a manner favourable to ASEAN's interests. The inability of the great powers to decide how to structure their own relationships has created both an opportunity for ASEAN to promote its ideas about regional conduct and organization, and a need for direction within the region. ASEAN's activities promote the institutions of international law and diplomacy as the sources of order within Southeast Asia. Within an institution like the ARF, ASEAN hopes to commit the great powers to certain rules of conduct. At the same time, the activities of the individual ASEAN states to both encourage American involvement in the region and engage China reflects a concern with re-establishing a functioning regional balance of power. This about-face is in keeping with the ASEAN
states' post-Cold War ambivalence about the wisdom of ZOPFAN and other exclusionary measures.

In the post-Cold War period, ASEAN has demonstrated a determination to retain its institutional preeminence in the Asia Pacific. It originally tried to limit APEC, in order to prevent APEC from challenging its regional primacy. ASEAN then tried to ensure that it became a central part of APEC. AFTA was, in part, ASEAN's response to APEC, as well as an effort to create a new focus for ASEAN's activities in the post-Cold War era. ASEAN's push for regional institutional dominance, however, is most obvious in the ARF. The ASEAN states are trying to define the norms and rules of international interaction in Southeast Asia. They insist on their right to set the agenda for the ARF; they wish to extend their patterns of interaction to the larger region. They also want all regional powers to openly commit themselves to following the principles of the Treaty of Amity and Cooperation. ASEAN is basing these assertions on a sense of regional entitlement as the representative body of the small states of Southeast Asia. It believes that its authority is enhanced by its increasing membership.

ASEAN's transformation, therefore, is explicable as an attempt to maintain and enhance its political standing and through this, its ability to affect the conduct of states in the region. ASEAN has pushed itself to expand its membership and activities in order to maintain its standing. ASEAN believes that it can significantly affect the relations of the region if it can set the rules of
regional interaction; its ability to do this is enhanced by its size, institutional cohesion, and regional preeminence.

In post-Cold War Southeast Asia, the lack of a distinct regional threat has meant that the ASEAN states are not divided by competing security perspectives and national interests. They are, however, being drawn together by the common political interest of shaping the regional environment. It remains to be seen whether or not these common interests are enough to hold ASEAN together once other actors become more certain of their own regional roles.

On the basis of the international society approach's principles, ASEAN's attempts to play an instrumental role in the arrangement of the regional order are understandable and not unprecedented. However, they are also likely to fail. The international society perspective clearly accords primacy to powerful states. The nature and structures of international society are shaped by the most powerful states. ASEAN and its members do not possess sufficient material power - in an economic or military sense - for them to define the regional environment. While the United States, China, Japan and perhaps other powers are still uncertain about how to deal with one another, ASEAN can, by default, exercise a disproportionate share of influence. Ultimately, however, the great powers will reassert themselves and shape regional events. This does not necessarily mean that ASEAN will be rendered irrelevant. If a working balance of power is established in the region, ASEAN might actually find its freedom of movement increases as it negotiates with powerful, competing
states. ASEAN may find that it can play a useful intermediary role in the region, and it can still provide a voice for its members. However, it will exist in an environment determined by others.

Despite this prediction, however, ASEAN's regional aspirations should not be dismissed out of hand. It may be, as ASEAN apparently believes, that traditional power politics are outdated and can no longer be employed in Southeast Asia. The growing connections and complexity between economic, political and security issues may make it impossible for even the most powerful states to dominate the region. Under these circumstances, the role of smaller powers in defining regional relations may be much greater than in the past. If this is so, then the nature of the region's international society may be shifting from one underpinned by considerations of power to one more affected by considerations of international law and diplomacy.

The insights of the rationalist theories and constructivism act as reminders to not exaggerate the importance of ASEAN to its members. As noted earlier, ASEAN and its members must be regarded as distinct. ASEAN may embody certain norms and ideals which are generally supported by its members. In the relative tranquillity of the post-Cold War environment, supporting and attempting to build on those principles is relatively unproblematic. However, ASEAN forms only one part of the strategies of its member states towards the outside world. Understanding the operation of ASEAN requires placing it in the larger context of its environment and not viewing it in isolation. When they can do so without sacrificing their own
interests, the ASEAN states have promoted ASEAN and its ideals. When they cannot, they have been unwilling to support ASEAN. It symbolizes something that matters, but which cannot be immediately attained. As an example, ASEAN's members have allowed ASEAN's economic aspirations to fall by the wayside for much of the organization's history because their economic relationships were focused elsewhere. In this context, ASEAN's largely symbolic status becomes easier to accept and understand.

Conclusion

ASEAN was created by its members as an attempt to foment regional political stability in response to external threats and internal upheaval. It was a political statement - to its member states, as well as external actors - about how the non-communist states of Southeast Asia wished to conduct their relations. The ASEAN states maintained ASEAN from 1967-1991 mostly for its ability to contribute to regional stability in a highly uncertain political environment. ASEAN again served as a vehicle through which its members could express their views on the conduct of relations in their region.

From 1978-1991, ASEAN's handling of Vietnam's invasion of Cambodia greatly improved its international diplomatic standing and added significant substance to ASEAN's structure. For the first time, ASEAN actually undertook political action in defense of its regional vision. The influence that the ASEAN states gained through their activities demonstrated to them that ASEAN had political utility. Finally, in the post-Cold War period, ASEAN is expanding
and transforming itself in an attempt to exercise greater political influence over the shape of developments in a highly uncertain region.

The value that the ASEAN states attach to ASEAN only makes sense if they believe that the rules of the international system truly make a difference to state conduct. Throughout its history, ASEAN has been an attempt to define the rules of interaction in Southeast Asia. In the post-Cold War era, ASEAN is faced with an environment in which the key players are uncertain of their own roles and interests. ASEAN is attempting to assert leadership and guidance in the region by promoting its code of conduct and institutional structures. Whether or not it can be successful in this endeavour remains to be seen.
CHAPTER NINE: CONCLUSION

Explaining the Evolution of ASEAN

The three questions driving this dissertation are: why was ASEAN created? Why was it maintained during the Cold War era? Why is it undergoing a process of transformation in the post-Cold War period? None of the international relations theories that I have utilized for this project adequately answer these questions, though the international society approach comes closest to illuminating some of the key aspects of ASEAN's evolution. Ultimately, ASEAN is most understandable as a symbol of its members' commitment to the institution of international law. The ASEAN states are ardent supporters of the principle that state relations must be governed by rules and norms.

Realism and neoliberalism - the dominant approaches to international relations in North America - are notable for their inadequacy in addressing ASEAN's evolution. ASEAN is not a functional regime. Its creation, maintenance and transformation cannot be explained in terms of the functions that it performs or the material benefits that it offers to its members. Constructivist theory is more helpful in explaining ASEAN. The interactions of the ASEAN states have altered the character of their relations by strengthening their social and political connections. However, there is no strong evidence to suggest that shifts in identity between the ASEAN states can account for the organization's development.

The international society approach focuses on the operation of
fundamental institutions in creating and maintaining international order. This approach concentrates on the role of power in shaping state behaviour, but it also recognizes the importance of normative considerations in explaining state activities. Of the four theories I have employed, the international society approach offers concepts that most closely match the apparent reality of ASEAN's development. Nonetheless, it is only able to offer very general and abstract interpretations of ASEAN's evolution.

ASEAN was created largely for its symbolic value. It was a statement of the commitment of its members to the principles of international law, particularly sovereignty. At the time of its creation, ASEAN was meant to address the most pressing concerns of its member states: intra-regional tensions left over from Konfrontasi and the fear of externally-inspired communism. The members also felt that greater economic cooperation would help deal with these tensions, and so planned to make ASEAN a vehicle for economic integration. The ASEAN that emerged, however, did not establish mechanisms to address any of these concerns. Political obstacles and disagreements over the requirements of regional security prevented the ASEAN states from reaching a consensus over how to directly confront these issues within the new organization. In the end, ASEAN's basic principles reinforced the norms of state sovereignty and its associated rights, such as the right to independent action, free of outside interference. It also called on its members to settle all conflicts peacefully. In this way, ASEAN committed its members to conduct that would avoid future
"Konfrontasis", and which asserted their rights against communist insurgency. It also expressed the aspiration towards subregional economic integration, though it did not specify how this should be done. In a sense, therefore, the ASEAN that emerged as a symbolic commitment to specific rules of international conduct did so by default; the ASEAN states could only reach a consensus on these basic rules, not on more complex areas of cooperation. Nonetheless, the values that ASEAN symbolized at the time of its creation were important to its members and represented a critical commitment to certain standards of conduct.

ASEAN's members maintained it during the Cold War period because it was a vehicle through which they could register their own regional vision and exercise political influence. It was primarily a political and diplomatic regime. ASEAN's activities revolved around articulating its regional vision and promoting its own code of conduct. The organization grew in direct response to the political and ideological threats emanating from its communist neighbours. During the Vietnam invasion of Cambodia, ASEAN took political action in defense of its expressed principles of regional behaviour. It discovered that it could affect other international actors through its own activities. ASEAN's influence during this period was largely contingent on the fact that it was defending values that were widely accepted within the international community. ASEAN demonstrated to itself and others that it could use the rules and norms of international conduct that it symbolized and promoted to significant political effect. At the same time,
however, ASEAN's ability to affect regional events was tightly connected to the interests and aspirations of the great powers. Ultimately, the parameters of ASEAN's effectiveness were set by the great powers. Nonetheless, the ASEAN states still recognized, after the fact, that they had enjoyed a level of influence as a bloc that they could never have attained on their own.

In the post-Cold War era, the roles and interests of the great powers in Southeast Asia are unclear. The ASEAN states believe that they can take advantage of this institutional vacuum to exercise political influence in Southeast Asia and the larger Asia Pacific. They believe that their ability to do so is enhanced by a larger membership. Their attempt to exert power is manifested by their efforts to expand the scope of the institution to pre-empt the efforts of outside actors to build institutions that might infringe on ASEAN's regional primacy.

ASEAN is primarily a political regime. It has exercised influence through its ability to appeal to the accepted norms and rules of the international system. Its political power rests on this normative basis, rather than military or economic power. During the Vietnam situation, this approach was proven to be effective, albeit with very definite limitations. ASEAN was a significant factor in affecting the perceptions and policies of states that were not direct parties to the conflict. In the post-Cold War era, ASEAN is building on its political credibility to promote its vision of regional order.

The international society approach is the best theoretical fit
to the circumstances of ASEAN's evolution largely because it is the only one of the four theories I have tested which allows for states to exercise political power through their ability to appeal to the normative basis of international society. The international society approach privileges military and economic power in its analysis of international politics, but it also argues that widely-accepted norms and values underpin state conduct. These norms facilitate the maintenance of international order, which is the primary concern of states. ASEAN exercises influence by reinforcing those norms and reminding other states of the need to sustain them. The international society approach captures the essence of ASEAN's character, which has always been directed towards defining the rules of regional conduct.

A significant drawback to the international society approach is that it is underspecified. It offers insightful explanations of ASEAN's evolution because ASEAN is a regime that operates at a fairly high level of abstraction. It has more difficulty dealing with ASEAN at a less symbolic level, however. The expectation that regimes will support the fundamental institutions of the international society follows from the logic of the theory. They can go about doing this in a variety of ways, however. The theory readily accommodates the fact that ASEAN's members have maintained and transformed the regime largely out of their sense that it enhances their political power. The idea that states will band together to exercise political power does not contradict the logic of the theory. However, there is no way to predict when this will
happen or why. Moreover, being motivated by a desire for power can be significantly different than being motivated by a commitment to order. These elements can complement each other, but their relationship needs to be far better specified.

Understanding ASEAN's evolution also requires recognizing the importance of social relationships between its member states. As demonstrated above, the improved relationships and the connections that these interactions have created cannot explain ASEAN's evolution. Nonetheless, they are important and may be forming the basis of deeper interactions in the future.

It is essential to recognize ASEAN's place in the foreign policies of its members. Throughout its history, ASEAN has represented an ideal for its members, while other arrangements have often been of much greater practical importance. Thus, ASEAN could stand for regional independence through the ASEAN Declaration and ZOPFAN, and call for the removal of foreign bases and powers. In practice, however, most its members encouraged some great power activities and alliances. Thus, ASEAN has occupied an intermediate position in the foreign policies of its members where it has not been allowed to stand in the way of practical realities. Even in the post-Cold War era, despite the great deal of attention it has attracted, ASEAN remains as only one foreign policy option for its members. At this point in time, it is the best option for exercising regional influence and protecting their national interests. This may change. Understanding how ASEAN has evolved and operated through its history requires placing its activities
within this larger context.

Dealing with regional threat has been fundamentally important to ASEAN's development. ASEAN has usually evolved in direct response to regional threat. ASEAN was created, in part, to respond to externally-sponsored communist insurgency; ZOPFAN was in response to China's regional presence; the Treaty of Amity and Cooperation resulted from the reunification of Vietnam; ASEAN's period of greatest growth was during Vietnam's invasion of Cambodia. The nature of regional threat, however, has always been political and ideological. ASEAN has, accordingly, been a political response. If the ASEAN states had been faced with genuine physical threats to their own survival, it is likely that ASEAN would never have evolved. Instead, the ASEAN states would have been forced towards alliances with external powers in order to guarantee their internal security.

The importance of external threat in forcing ASEAN's evolution raises questions about ASEAN's continued viability in the future. To date, the institution appears more vibrant than ever. This may be illusory. It may be that the ASEAN states truly do require an external problem as a focus for their corporate unity. ASEAN's growing membership may actually make such unity increasingly difficult to achieve.

Finally, a point about ASEAN and its support for international order: during the period of the Vietnam/Cambodia conflict, ASEAN enjoyed limited political influence because, in large part, it was part of a coalition opposed to Vietnam and the Soviet Union. ASEAN
supported the status quo and benefitted accordingly by gaining greater access to the corridors of power and attracting more international political attention than it ever had before. Other actors set the parameters within which ASEAN was effective. If ASEAN had been opposed to these powers and their goals then, obviously, it would not have enjoyed the same level of access, attention or support.

Much of the support that its members presently give to ASEAN is based on the argument that the Vietnam/Cambodia situation demonstrated ASEAN's ability to be an influential international actor. As I have argued, this assessment needs to be highly qualified. Nonetheless, what is often overlooked in this argument is the context which made ASEAN's activities possible. In the post-Cold War era, ASEAN is no longer simply a supporter of the status quo. Regional and international structures of power and relationships are in flux and ASEAN is seeking to influence those structures. Whether these circumstances will be more or less conducive to ASEAN's effectiveness is unclear, though the international society approach ultimately accords decisive power over the rules of the international system to the dominant states, suggesting that ASEAN's long-term influence over regional events will be limited.

The history of ASEAN, the institution, reflects the ASEAN states view that -- even though economic and military power are certainly important -- rule-governed behaviour can be equally or more significant, under the right circumstances. These rules are
the product of historical circumstances, international consensus, and a certain kind of morality; they are more than merely convenient structures justifying the dominance of the powerful. The ability to affect these rules can be translated into political power. ASEAN is the primary instrument in its members collective struggle for political influence.
APPENDIX A - List of Interview Subjects

Ordered by Country and Chronology

Thailand

Dr. Panitan Wattanayagorn, Dept. of International Relations, Chulalongkorn University, Bangkok, Thailand. January 16, 1995. Approx. 2:30-3:30 PM.

Dr. Suchit Bunbongkarn, Dean, Faculty of Political Science, Chulalongkorn University, Bangkok, Thailand. January 19, 1995. 9:00 -9:35 AM.

Dr. Chaiwat Khamchoo, Chairman, Dept. of International Relations, Chulalongkorn University, Bangkok, Thailand. January 19, 1995 -10:00 - 11:00 AM.

Dr. Witthaya Sucharitthanurugse, Director, Institute of Asian Studies, Chulalongkorn University, Bangkok, Thailand. January 20, 1995. 8:45 - 9:30 AM.

Dr. Surachai Sirikrai, Director, Institute of East Asian Studies, Thammasat University, Bangkok, Thailand. January 20. 10:00 - 11:00 AM

Mr. Vitthya Vejjajiva, Former Ambassador to Canada, Former Permanent Secretary, Ministry of Foreign Affairs. 258-5562. January 23, 1995. Approx. 2:30 - 4:45 PM.

Dr. Pranee Thiparat, Director, American Studies and Canadian Studies Program, Chulalongkorn University, Bangkok, Thailand. January 25, 1995. Approx. 12:00 Noon-2:00PM.

Dr. Sarasin Veeraphol, Director General, Department of North America and the South Pacific, Ministry of Foreign Affairs, Bangkok, Thailand. Respondent to Questionnaire.

Malaysia

Dr. Zakaria Haji Ahmad, Head, Strategic and Security Studies Unit, Universiti Kebangsaan Malaysia, UKM Bangi, Malaysia. February 2, 1995. 12:00 - 1:00 PM.

Mr. A. Halim Saad, Institute of Diplomacy and Foreign Relations, Instructor and Government Official, Kuala Lumpur, Malaysia. February 3, 1995. 11:30 AM - 1:30 PM.

J.N. Mak, Director of Research, Malaysian Institute of Maritime Affairs (MIMA), 16th Floor, Wisma Sime Darby, Kuala Lumpur, Malaysia. February 3, 1995. 3:30 - 4:30 PM.

**Singapore**

Dr. Chin Kin Wah, Director, Centre for Advanced Studies, National University of Singapore, Arts and Sciences 7, Singapore, Republic of Singapore. February 6, 1995. 4:00 - 5:30 PM.

Mr. Daljit Singh, Researcher, Institute of Southeast Asian Studies, Heng Mui Terrace, Pasir Panjang Road, Singapore, Republic of Singapore. February 10, 1995. 4:30 - 5:30 PM.

M. Rajaretnam, Director, Singapore Institute of International Affairs, 6 Nassim Road, Singapore, Republic of Singapore. February 10, 1995. 2:00 - 3:00 PM.

Bilahari Kausikan, High Commissioner of the Republic of Singapore to Canada and the United Nations, Rm. 305, York Lanes, York University, Toronto, Canada. April 9, 1996. 10:30 -12:00 AM. Note: information from Dr. Bilahari's presentation has been used in this dissertation, but Dr. Bilahari was not interviewed for this work, nor were his opinions incorporated as part of the chart on page 400.

**Indonesia**

Dr. J. Soedjati Djiwandono, Member, Board of Directors, CSIS, CSIS Building, 3rd Floor, Rm. #312. February 15, 1995. 1:00 PM - 2:15 PM.

Dr. Mochtar Kusumaatmadja, Former Foreign Minister, Republic of Indonesia, Offices of Mochtar, Komar and Karuwin, Metropolitan Building II, 14th Floor, Jalan Jendral Sudirman, Kauling 31, Jakarta, Indonesia. Phone #: 571-1130. February 16, 1995. 3:00 - 3:40 PM.


Dr. Hadi Soesastro, Executive Director, CSIS, CSIS Building, RM. #311, Jakarta, Indonesia. February 22, 1995. 9:25 - 10:05 AM.


Brunei

Pengiran Osman Bin Pengiran Haji Patra, Officer, Political Department, Ministry of Foreign Affairs Brunei, Bandar Seri Begawan, Brunei. February 27, 1995. 1:00 - 1:45 PM.

The Philippines

Ambassador Villa, Director, American Affairs, Department of Foreign Affairs, 7th Floor, Manila, Philippines. March 15, 1995. 3:30-4:00 PM.

Dr. Cynthia Bautista, Director, Center for Integrative and Development Studies, PCED Building, University of the Philippines, Diliman Campus. March 17, 1995. 10:00-11:00 AM.

Dr. Emmanuel Lallana, Assistant Director, Foreign Service Institute, Department of Foreign Affairs, 5th Floor, 2330 Roxas Blvd., Manila, Philippines. 834-3781. March 29, 1995. 10:25 - 11:15 AM.

Dr. Raphael Lotilla, Associate Professor of Law, University of the Philippines, College of Law, Diliman, Quezon City. March 29, 1995. 2:00-3:00 PM.
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