In mid-1966, when ASEAN was still on the drawing board, Malaysia’s Foreign Minister Ismail Abdul Rahman went on record with the following statement: “Our goal is a regional association comprising Thailand, Burma, Indonesia, Singapore, Malaysia, the Philippines, Cambodia, Laos, and Vietnam. We have no other option. We, the nations and peoples of Southeast Asia, must, whatever our ethnic, cultural, and religious roots, join together and build, with our own hands and minds, a new way to the future and a new structure. And we must do this ourselves. We have to come to a profound shared realization that we will not be able to survive as independent nations for long..., unless we think and act at the same time as residents of Southeast Asia.”¹

The group that was put together a year after by Indonesia, Malaysia, Singapore, Thailand, and the Philippines was subregional, rather than regional, in the real sense of the term. It was wishful thinking to have anything larger in Southeast Asia that lived by the laws of a bipolar world. As long as those laws were in force, a single country, Brunei, joined the five ASEAN founding members in 1984. And yet, resentment between those Southeast Asians who came together under one ASEAN roof started to
decrease. When the Cold War ended, Association membership was sought by countries that had been “on the other side of the fence” shortly before, and none was rejected. In 1995, Vietnam joined ASEAN as its seventh equal member, to be followed by Laos and Myanmar in 1997, and Cambodia, in 1999, turning the Association into ASEAN-10, or Greater ASEAN, with a membership that seemed to fulfill the founders’ dream of full regional unity.

For all that, there was no dearth of skeptics in and beyond Southeast Asia who had doubts about the viability of an organization that had brought together politically different countries like, for example, Brunei and Vietnam. Brunei was loyal to its ideal of an absolute monarchy that had taken shape among Malay Moslems as early as the Middle Ages, while Vietnam was under the rule of its Communist Party with socialism as the official goal.

The differences in economic development that were obvious enough among the first five ASEAN members looked even more striking among the ten member countries. Singapore was among the world leaders in key socioeconomic indicators, while Laos and Myanmar were still among the least developed and most problem-ridden countries.

Political developments in the region evoked the thought that the recent conflicts and the emotions they stirred are never forgotten. Past outbursts of hostility (for example, between Indonesia and Malaysia during their notorious confrontation) tended to recur in fresh disputes, particularly when heated passions played into the hand of elites in the countries involved.

How could this divergence of political and economic aspirations be fitted into the common ASEAN Way? No simple answer could, can, or will be ever found.

FROM THE ASIAN CRISIS
TO THE DECLARATION OF ASEAN CONCORD II

Without a doubt, the countries of Eastern Indochina and Myanmar that courted ASEAN for membership in the 1990s liked the principles of sovereign equality, mutual respect, and noninterference in the members’ internal affairs proclaimed in the Association’s basic documents. At the time when a country’s admission was considered, no one asked of the applicant to bring its political order to a common standard, nor separated regimes into more and
less acceptable by the criterion of respect for human rights, or insisted on fast-track democratization.

Applicant countries, Vietnam, in the first place, wanted to end the political and diplomatic isolation they lived in because of the Cold War. Paradoxically, the decade-long polemic on Cambodian settlement between the “Northerners” and “Southerners” of Southeast Asia benefited all. It gave the disputing parties an opportunity to understand one another’s motivation and shared interests at a time when the region reached a historical turning point.

On their part, the founding countries believed, not without a reason, that ASEAN’s enlargement could enhance its weight in the world. The fact that the ten-member organization had brought together countries different in almost every respect awakened interest and respect, and also a desire to get a closer look at this unique experience.

The first endurance test for Greater ASEAN came with the Asian crisis in 1997 and 1998. Many analysts hurried then to write off the “ASEAN solidarity.” They made predictions that the Association members would “withdraw into their national shells.” Instead, ASEAN mustered strength and pulled out of the financial turbulence area, not without some help from the Northeast Asian heavyweights – China, Japan, and South Korea.

As a sign that it was growing “big” across-the-board, the Association passed a series of programs and statements at the turn of the centuries, from the ASEAN Vision 2020 in 1997 to the Hanoi Declaration on Narrowing Development Gap for Closer ASEAN Integration in 2001. An interim bottom line in its search for new benchmarks was drawn in the Declaration of ASEAN Concord II (Bali Concord II), passed on the Indonesian Island of Bali in October 2003. The declaration reaffirmed the efforts to build an ASEAN Community by 2020 through close cooperation in politics and security, economic integration, and socio-cultural exchanges.

This blueprint portrayed the Community as a dynamic association opened to the outside world and, at the same time, seeking to mobilize its internal potential and giving greater attention to the “human dimension” of cooperation.

An ASEAN Charter was to become the next step on the way to regional integration, more consistent and, in the Asian style, more cautious, with an eye on the European Union’s experience, not to be copied blindly, though. Had consultations on the draft Charter hardly begun when differences surfaced in the views between “old” and “new” Association members.
THE ASEAN CHARTER

Even though they brushed aside the possibility of ASEAN’s quick transformation into an organization entrusted with supranational powers, supporters of reform in the Association pressed for departure from principles such as noninterference in one another’s internal affairs and consensus in decision-making. The alternative they put forward as “flexible consensus” or the “Ten minus X” formula translates simply to decision-making by a majority vote. They also insisted on investing the Association with monitoring functions, with a specialized body set up to monitor respect for human rights in the member countries.

Alternatives of this sort were advanced, above all, by Indonesia and the Philippines. The two countries paraded themselves as mainstays of democracy in the region and argued that conservation of the accepted order of things intact would prevent the Association from adapting to the realities of the 21st century and building an ASEAN Community. To back up their arguments, they said, in particular, that a mere third of decisions passed by consensus had been carried out in practice.

Vietnam took a different stand. When the draft ASEAN Charter was approved in early 2007, the country’s Prime Minister Nguyễn Tấn Dũng said that his country was reaping substantial benefits from membership in ASEAN as it had been and was. Hanoi, therefore, did not approve of a more rigid structuring of the ten-member Association and creation of a body given sweeping powers over respect for human rights and imposition of sanctions against individual members. The Vietnamese leader pointed out that compliance with the principles passed originally in ASEAN, such as respect for sovereignty and noninterference in a member’s internal affairs had contributed to his country’s rapid development.

The draft ASEAN Charter was approved in October 2007 after drawn-out discussions. A month later, it was endorsed at the Association’s summit in Singapore, and went into force a year after.

According to many views, the document is written in a conciliatory tone, more to the taste of ASEAN’s “young” members. It was praised highly by Vietnam’s government that described it as a legal framework for continued cooperation in the region. Even admitting that the partners’ views did not concur on all points, Hanoi urged for efforts to strengthen “unity in diversity.”

The principle of making decisions through consultations and by consensus held on. The paragraph on sanctions against members in serious breach of
joint decisions, and ASEAN rules and principles, ranging from suspension of rights and privileges stemming from Association membership to expulsion from ASEAN, did not show up in the Charter at all. The members did not go further than adding a carefully phrased article on the creation of a human rights body with functions to be thrashed out by heads of ASEAN diplomatic services at their conferences sometime in the future.

Admittedly, the issue of sanctions against human rights transgressors was raised to produce an effect on Myanmar’s military regime. In the eyes of the other three “young” ASEAN members, the issue posed a threat of legalizing interference in their own affairs and making it harder for them to project a positive image in the world. The opposition the countries of Eastern Indochina put up against pressuring Myanmar had other motivations as well (in particular, reluctance to kick the country’s military rulers out of ASEAN into the embrace of their potential “protectors” such as China and India).

Overall, adoption of the Charter as it was passed eventually kept ASEAN intact as an organization capable of smoothing out interstate differences in its own backroom, restraining its members from direct confrontations, and, in this way alone, contributing to socioeconomic progress of individual nations and the region as a whole.

**THE INDOCHINESE FOURSOME**

Formation of a subgroup comprising Cambodia, Laos, Myanmar, and Vietnam within ASEAN was a significant event. The four countries were disappointed, in a measure, with the slow headway made to implement programs designed to lift the Association’s “new” members to the development levels of its “old” members. Hanoi was an obvious bidder for informal leadership in the subgroup and for a role of spokesman for their common interests.

At the 2001 summit of Greater ASEAN, Vietnam, Laos, and Cambodia made proposals to form a “development triangle” of these three countries, to step up development of the Mekong area, and to launch new infrastructure projects. After a series of get-togethers, the three countries’ top leaders agreed on their own vision of subregional and regional cooperation and their common position on the eve of the ten countries’ major events. In November 2004, a similar meeting was held in Vientiane, with Myanmar joining in. Apart from a statement on closer cooperation within the framework of the
four-member subgroup just formed, its members decided to convene their summits at regular intervals, in the same periods when the Association held its full summits.

Far from wishing to give an impression of challenging Greater ASEAN, Indochinese ASEAN-4 acted in solidarity with it now and then. This was the case, for example, at the ASEAN summit in Cebu, the Philippines, in 2007. Even though it supported the amendment that the ASEAN Community be put in place five years earlier than the original deadline, that is, in 2015 rather than 2020, the subgroup came out firmly for each member country retaining the right to pursue an independent socioeconomic policy in line with its specific goals and national interests. This principle is embedded in the preamble of the ASEAN Charter.

NEW AREAS OF UNDERSTANDING

And yet, constructive relations, including relations of trust, develop between some of the “old” and “new” ASEAN members. Close relations between Singapore and Vietnam is a good illustration. A while before Hanoi joined ASEAN officially, much effort had been put into the rapprochement between the two countries by Lee Kuan Yew, the maker of the “Singapore miracle,” and Võ Văn Kiệt, the architect of Vietnam’s “renewal policy” (đổi mới). A longtime Premier and today Singapore’s Minister Mentor, Lee Kuan Yew still advises to the Vietnamese government.

A Framework Agreement on Singapore-Vietnam Connectivity, a document without parallel in the diplomatic history of Southeast Asia, was signed in 2005.* It put special accent on assistance that the insular republic was to give its partner in training professional managers.

The other tasks facing Hanoi include elevating bilateral cooperation in defense and security with other ASEAN members to the level reached in politics, commerce, and economics. Vietnam has signed agreements with Malaysia and Singapore on contacts to be established between their military services and educational institutions, and joint exercises to be held to promote cooperation in military and civilian areas.

Positive trends have taken hold all along the way toward the ASEAN Political-Security Community. The ten countries’ defense ministers have

---

* Curiously, the broad term “connectivity” was borrowed from the software programming jargon.
been meeting regularly in conference since 2006 to work out the details of the Security Community. Much attention is given to planning joint operations against terrorists, pirates, drug traffickers, and other cross-border criminals, rescue operations at sea, and mitigation of the consequences of natural disasters.

Some headway has been made toward settling territorial and border problems that have burdened interstate relations in Southeast Asia for a long time already. For example, Vietnam and Cambodia signed an agreement on final border demarcation in 2008. In August 2008, a tripartite agreement was reached between Cambodia, Laos, and Vietnam to demarcate their borders in their convergence area.

In March 2009, Brunei and Malaysia agreed in principle on their sea and land borders and joint oil and gas exploration on the shelf of the South China Sea.

In early 2010, Indonesia and Malaysia agreed on a modus vivendi in respect of their jurisdictions over the Ambalat sea block in the Sulawesi Sea. The dispute that keeps simmering over claims to the hydrocarbon resources of the shelf led to a paradoxical situation when the two countries’ sailors and border troops joined hands to fight pirates in the Strait of Malacca, while off the Kalimantan shores they were almost at the point of grabbing one another by the throat.

All these agreements were reached after arduous, and at times exhausting, bilateral negotiations, significantly without ASEAN's mediation. The border settlement agreement between Vietnam and Cambodia came at a time when Phnom Penh embroiled in a conflict with Bangkok over the Preah Vihear temple complex had no choice but to make concessions to Hanoi. It took diplomats of Brunei and Malaysia 14 years and 39 rounds of talks to come to an agreement on border settlement (still bristling with deadlocked problems). The dispute over Ambalat has only been put on the back burner, with a real settlement still far away.

Relying on the negotiators’ own discretion in solving disputes is a sign that broad ongoing, and various contacts within the ASEAN framework regardless, ASEAN is yet to be seen as a trustworthy mediator and peacemaker, and the member countries’ distrust of one another is considerably higher than it appears to an optimistic outsider.

In this sense, the Charter as passed added little to rejoice about – it does not say a word about the way disputes and conflicts in the region are to be settled. It only has an article on good services to be rendered and mediation sought to reconcile the parties, or, in need, intercession requested from
the leaders of the country presiding in ASEAN at the time, or ASEAN Secretary-General, or the ten countries’ summit.

**ECONOMIC COOPERATION CHALLENGES**

As Eastern Indochina’s countries and Myanmar joined the Association, they subscribed to the ASEAN free trade area (AFTA) agreement signed in 1992. Under its original version, all tariff and nontariff barriers to cross-border trade were to be removed by 2010. The “young” ASEAN countries were given the concession of extending trade liberalization until 2015.

Moving together down two roads at different speeds, the ten countries reached a dividing line between a free trade area and a customs union. The difficulties of making transition to a customs union notwithstanding, the plan to launch the ASEAN Economic Community in 2015 required, at least officially, to continue the advance toward a common market and free movement of goods, services, investments, and skilled labor.

Statistics show, however, that regional trade liberalization was accompanied by a general growth in the physical volume of transactions without raising appreciably the share of the ten countries’ exchanges with one another in their global foreign trade. At the end of the first decade of the 21st century, their share fluctuated between 24% and 25%.

No major shifts have occurred in the total regional trade between the “young” and “old” ASEAN partners. Singapore, Malaysia, Thailand, and Indonesia are still most active in that sense. In 2009, they did nearly 80% of trade between the Association members. True, ASEAN’s official statistics do not cover cross-border barter trade that is highly significant for Laos and Myanmar, for example.

In foreign trade, differences have surfaced within Indochinese ASEAN-4. Trading with ASEAN partners had an overwhelming importance for Laos, Myanmar, and, in a lesser degree, Cambodia, while Vietnam opted for trade with markets beyond the region.

Even though a trend toward greater reciprocal investments seems to have taken hold in the ASEAN area, it is very different in different places over the region. In 2009, for example, most direct investments were flowing into two or three founding countries – Singapore ($2 billion), Indonesia ($1.4 billion), and Thailand ($586 million).

The ASEAN-4 countries, though, got about $680 million in all. There must be solid reasons for these imbalances. Most probably, these count-
ries lack investment appeal for their neighbors because of their inadequate national laws, scale of corruption, and so on. Another reason may be that the Southeast Asian region does not have uncommitted capital enough for all?

**GREATER ASEAN IN THE NEAR FUTURE**

Surin Pitsuwan, ASEAN Secretary General since 2008, believes that citizens of the Association’s ten countries have to cultivate a sense of “dual identity,” that is, a sense of belonging to their own nation and to the family of ASEAN peoples. They have to, but how soon will they develop this sense? Signs are that this may take quite some time.

Judging by what has been happening recently, resolution of disputes and conflicts within Southeast Asia is now first on the must-do list. Effective mechanisms are required to do this, however. Their virtual absence is ASEAN’s weakest spot. If this situation remains unchanged, the ten countries’ claims to a central role in the ASEAN Regional Forum on security (ARF) and the East Asian Summit (EAS) would be looking increasingly less persuasive.

The ASEAN Economic Community is to be fleshed out distinctly by 2015. On the wave of free trade agreements made with partners outside the region, ASEAN appears to have leapfrogged over the customs union stage. In fact, the ASEAN Economic Community is constructed as a regional free trade area, with common market elements such as free movement of goods, capital, and services (AFTA Plus) thrown in. Backlogs would be worked off simultaneously by lifting non-customs barriers and harmonizing foreign trade procedures and standards. Not unlikely, the ASEAN Community might turn into a “common market minus”, that is, an environment where full integration would be moved back to later deadlines on a case by case basis if requested by any partners, above all members of ASEAN-4.

Is ASEAN following (if yes, where exactly) the trail of regional integration blazed by the European Union? This question was discussed by Syed Hamid Albar, Malaysia’s Foreign Minister, at a conference at the London School of Economics in September 2007. Even though parallels are recognizable in the emergence of these two regional organizations, he said, there are profound differences between EU and ASEAN members in political culture and economic and social development levels. Unlike the
European Union, ASEAN is still a medley of countries sharing a common goal. Integration efforts in Southeast Asia are hindered by varied and deep-seated differences between individual partners. The ten countries will turn into a full-grown regional association through slow and managed evolution.6

RUSSIA AND GREATER ASEAN

ASEAN’s enlargement has not scarred Russia’s interests in any way. At a time when former U.S.S.R. allies were admitted to the Association, Moscow did not respond in a way it did to NATO’s eastward enlargement.

As a successor to the U.S.S.R., the Russian Federation inherited traditionally friendly relations with Vietnam, Laos, and Cambodia. In the process of moving toward market models of economic development, Russia and Vietnam have not wasted the cooperation experience that took decades to build, and have rediscovered each other as strategic partners. In an act of symbolism, ASEAN gave Russia the status of a full dialogue partner soon after Vietnam joined the Association, and the Second Russia-ASEAN Summit is scheduled in Hanoi in October 2010.

Admission of new members to the Association, its northern fringe now running along the borders of Vietnam, Laos, and Myanmar with China, reinforced the ten countries’ view of Russia as an important factor in the regional balance of forces. On its part, Moscow has joined the Treaty of Amity and Cooperation in Southeast Asia and volunteered to play a role in the ARF designed to draw up confidence-building measures, exercise preventive diplomacy, and ultimately make efforts to cool flashpoints in Asia facing the Pacific.

Today and in years ahead, promoting commercial and economic links, as is required in the Comprehensive Program of Action to Develop Cooperation in 2005-2015, is a major common objective for Russia and Greater ASEAN. ■

NOTES:


2. See: G.M. Maslov, V.F. Urlyapov, Vietnam v sisteme souremennykh mezhdunarodnykh otnosheniy v Aziatsko-Tikhookeanskom regione, [Vietnam in the System
of Current International Relations in the Asia-Pacific Region], Klyuch-S Publishing House, Moscow, 2009, p. 119.


4. Ibid.
