CHAPTER II
EVOLUTION OF ASEAN

This chapter is to examine the process and character of regionalism in Southeast Asia. It will focus on the causes and stimuli that encouraged as well as forced the leaders of the region to adopt the approaches to regionalism. This will particularly discuss the political situations surrounded the region in that time. In other words, the causes and effects, which resulted from the admission of new ASEAN member countries will be analyzed in order to understand its predicaments and consequences. The ASEAN Way will also be included to demonstrate the standpoint of ASEAN in order to deal with its challenges as well as the failure and success from its implementations. These attempts are to pave the way for further discussion on the ASEAN strategic and economic responses to the new wave of regionalism (1991-2005) in the next two chapters. This chapter will then, present the nature of ASEAN in general, while the next two chapters will particularly discuss its strategic and economic responses to new regionalism.

2.1 REGIONALISM IN SOUTHEAST ASIA PRIOR TO ASEAN

It is important to note that ASEAN composed of a number of small economies, the structure and development of which has been profoundly shaped firstly by colonialism and latterly by the activities of more powerful economic and political forces from outside Southeast Asia (Yue 1999; Beeson 2002, 2004). ASEAN was not the only attempt to form regional grouping in the region. In fact, it presented the third attempt for setting a regional grouping. Accordingly, the leaders of its founding countries had learnt valuable lessons from the failure of their earlier attempts.

Prior to the establishment of ASEAN, there had been two attempts of the group of countries in the region to set up regional groupings. The first effort had been undertaken by Malaysia, the Philippines and Thailand in order to form the Association of Southeast Asia (ASA) in 1961. The second had been made by Indonesia, Malaysia and the Philippines on 31 July 1963 so as to construct the framework of a loose confederation of three states of Malay stock (Acharya 2001).
This framework had been known as MAPHILINDO, which was the acronym of its member countries.

ASA had been envisaged as an apparatus of the member countries to fight against communist insurgencies in the region. According to their perspective, the Association would commit the member countries to work together to uproot poverty because they saw a backward economy as the most potential cause of communist insurgencies. On the other hand, ASA had been seen as a grouping of allies and faced severe criticism from Indonesia, Vietnam, Laos and Cambodia. They identified the Association as another SEATO\textsuperscript{vii} (Southeast Asian Treaty Organization), which had been set up by the United States as a bulwark against communism. The Association could not produce any outcome either useful or harmful and came to an end in 1963. Its demise was caused by the dispute between the Philippines and Malaysia over the former’s claim of sovereignty over North Borneo (later named as Sabah) that opted to join the Federation of Malaysia\textsuperscript{viii} (Gordon 1966; Kitamura and Bhagat 1969; Young 1981; Acharya 2000; Funston 2001; Tan 2003; Rajaram 2007).

MAPHILINDO was an idea that was propagated by its member countries in order to restore and strengthen the historic unity and common heritage among the Malay peoples. Its member countries were committed to cooperation in closer political, economic and cultural relations. Its collapse was caused by the formation of the Federation of Malaysia on 16 September 1963. Since the formation of the Federation had been facing a military confrontation from Indonesia and strong opposition from the Philippines. Indonesia professed the policy of Konfrontasi (confrontation) against Malaysia. Significantly, this resulted in Indonesia’s invasion by paratroopers to the Malay Peninsula and East Malaysia and action of sabotage in Singapore. Whilst, the Philippines, which had claims to sovereignty over North Borneo, also refused to recognize the Federation of Malaysia (Gordon 1966; Acharya 2000, 2001; Funston 2001; Tan 2003; Severino 2006).

\textsuperscript{vii} SEATO had been existed between 1955 and 1977. Its members were Australia, France, New Zealand, Pakistan, the Philippines, Thailand, the United Kingdom and the United States. Its purpose was for protection of Southeast Asia from communist expansionism (Rajaram 2007).

\textsuperscript{viii} Federation of Malaysia was established in 1963 by addition of Sabah, Sarawak and Singapore (Singapore left the federation two years later) (Funston 2001). Brunei had declined to become its member at the last minute, after it became clear that it could lose control of its vast oil revenues in a Malaysian federation, and because of its dissatisfaction over the position allocated to its Sultan in the hierarchy of Malay traditional rulers (Tan 2003).
As evidenced, ASA and MAPHILINDO that were formed in different years but they dissolved on the same date—19 September 1963—of the formation of the Federation of Malaysia. The dispute between Malaysia and the Philippines on the latter’s claim of sovereignty over Sabah was the cause of demise of ASA and this together with Indonesia’s policy of confrontation caused the collapse of MAPHILINDO. Indonesia’s policy of confrontation had been changed in 1966, but that of the Philippines remains unsolved. As a result, it has always caused some difficulties in relation between the two countries and also threatened the survival of the only regional grouping, ASEAN.

2.2 ESTABLISMEMT OF ASEAN

It is against this backdrop of political uncertainty and military intervention, that the formation of ASEAN should be seen. A new regional organization, one that was acceptable to all the major countries in Southeast Asia, was badly needed as a vehicle in which contentious issues could be discussed and resolved. ASEAN was formed to meet this need (Tan 2003: 7-8).

ASEAN is the acronym of the Association of South-East\textsuperscript{ix} Asian Nations. It is an Association for Regional Cooperation among the countries of Southeast Asia (ASEAN Declaration 1967). ASEAN was established on 8 August 1967 in Bangkok, Thailand by the five Ministers of Foreign Affairs of the founding countries namely Adam Malik of Indonesia, Narciso R. Ramos of the Philippines, Tun Abdul Razak of Malaysia, S. Rajaratnam of Singapore, and Thanat Khoman of Thailand. They have been hailed as the Founding Fathers of the Association, who established it through the self-called “sports-shirt diplomacy” style\textsuperscript{x} (ASEAN 2003m).

The name “ASEAN” was suggested by Adam Malik which evidenced with the inscription on the memento presented to him by Thanat Khoman that “In recognition

\textsuperscript{ix} This was original writing “South-East Asia”, today it has simply been wrote “Southeast Asia”\textsuperscript{x} This was because they had informally and casually negotiated over the draft of Bangkok Declaration in early August 1967 for four days in the relative isolation of a beach resort in Bang Saen, Cholburi Province, Thailand (ASEAN 2003a).
The Declaration has been known as the “Bangkok Declaration” due to where it was declared, and will be referred in this thesis instead of ASEAN Declaration because it is well known to all. The Declaration composed of only five articles, which present its objectives and resolution of the original countries on the region as a whole. (See Appendix I).

The Declaration does not have any legality as does a treaty or charter. This reflected its member states’ determination that they wanted an informal intergovernmental structure and not a supranational organization. Therefore, in the Declaration, there are no effectivity clauses, ratification requirements, watertight stipulations, provisions for amendments, and a dispute-settlement mechanism. Having realized its lack of regal character as well as in order to strengthen the Association able to effectively respond to globalization and its dramatic impact on the economy, political life and even values of ASEAN member countries, ASEAN initiated an attempt to stipulate the Charter in 2005 and it was endorsed at the 13th ASEAN Summit in Singapore in November 2007 (Wanandi 2006; Severino 2006; Zweifel 2007; The Hindu 2007).

2.2.1 OBJECTIVES OF ASEAN

In terms of the purposes of a regional grouping, ASEAN can be identified with the type of co-operative or multi-purpose association. This type of association would commit its member countries to work closer together in strategic, political, economic and social activities (Miller 1970; Zweifel 2007). The objectives of ASEAN were stipulated in the Second Article of the Bangkok Declaration (1967) as follows:

(1) To accelerate economic growth, social progress and cultural development in the region through joint endeavors in the spirit of equality and partnership in order to strengthen the foundation for a prosperous and peaceful community of South-East Asian Nations;

(2) To promote regional peace and stability through abiding respect for justice and the rule of law in the relationship among countries in the region and adherence to the principles of the United Nations Charter.
(3) To promote active collaboration and mutual assistance on matters of common interest in the economic, social, cultural, technical, scientific and administrative fields;

(4) To provide assistance to each other in the form of braining and research facilities in the educational, professional, technical and administrative spheres;

(5) To collaborate more effectively for the greater utilization of their agriculture and industries, the expansion of their trade, including the study of the problems of international commodity trade, the improvement of their transportation and communications facilities and the raising of the living standards of their peoples;

(6) To promote South-East Asian Studies;

(7) To maintain close and beneficial cooperation with existing international and regional organizations with similar aims and purposes, and explore all avenues for even closer cooperation among themselves (Bangkok Declaration 1967).

Although the Declaration overwhelmingly aimed to promote cooperation in economic, social and cultural activities and obliquely referred to cooperation in political matters in its Article 2, the main impetus for the formation of ASEAN was clearly political. Since its establishment in 1967 until the early 1990s, ASEAN functioned particularly as a political mechanism (Dijck 2001). The formatting of the Association itself was a direct political act, which mainly responded to political environment international and regional. Moreover, the major successes of ASEAN have been evidenced in political sphere (Suh 1984; Luhulima 1987; Shafie 1992; Sandhu et al. 1992; Tan 2003).

In fact, the leaders of founding countries of ASEAN were aware that having explicitly mentioned political and security objectives would invite the countermeasures from the communist states. As a result, it would generate greater insecurity for the ASEAN (Collins 2003). They did not want ASEAN to be mistaken for a military grouping among political allies as its predecessor, the Southeast Asian Treaty Organization (SEATO) (ASEAN 2003m, 2007f). Rajaratnam expressed the fear of ASEAN being misunderstood that we are not against anything, against any
body. Outside powers had a vested interest in the balkanization of the region. We want to ensure a stable Southeast Asia, not a balkanized Southeast Asia (ASEAN 2003m).

Rodolfo C. Severino (2006) spelt out the purposes, political and security as well as economic, social and cultural of the Association precisely:

The Association of Southeast Asian Nations was founded basically for political and security purposes, to prevent disputes and mutual suspicions from developing into conflict and to strengthen Southeast Asia’s influence on regional and international affairs. This is where ASEAN’s supreme achievement lies. Nevertheless, ASEAN’s founders felt compelled to highlight its economic, social and cultural purposes partly in order to gain public support for the new Association, partly to allay suspicions that ASEAN was to be a military pact or a defence alliance, and partly because they were genuinely convinced that comprehensive development—national and regional was a necessary condition for regional, as well as national, peace and stability (Sererino 2006: 212).

The above objectives cited from the ASEAN Declaration are evidence of the intent of the ASEAN’s five original member countries to ensure the inclusion of the ten countries in the region into one regional organization. Also it pushed forward the economic prosperity of the entire region as a whole. Therefore, in the Fourth Article of the Declaration (1967), it mentioned that the Association is open for participation by all states in Southeast Asia. The Fifth Article of the Declaration (1967), accordingly, was stipulated in order to present the collective friendly stance of the member countries to the non-member countries to join later. The Association represents the collective will of the nations of Southeast Asia to bind themselves together in friendship and cooperation, and secures for their peoples the blessings of peace, freedom and prosperity through joint efforts and sacrifices.

The inception of ASEAN was identified with the notion of functionalism when the Association established itself on grounds without conflicts and would move to cope with the issues concerned. During that time, although the region was facing the strain of strategic insecurity, the leaders avoided direct mention of the issues, but
claimed to focus economic and social cooperation instead. However, the functional spillover of ASEAN hardly resulted in any concrete success because it lacked the political spillover, which needed political decision. Functional and political spillovers have to go in tandem to cope with particular aims. Political spillover could not be taken because the ASEAN Way preferred non-official mechanism and consultative attitude. The issues that were sensitive to any of the ASEAN member countries had been shelved. This presents the character of constructivism, which the function of any association is based on which is its norms. Therefore, functionalism and constructivism were together used to explain the nature of ASEAN (Mitrany 1946; Hurrell 1995; Acharya 2000, 2001, 2003, 2006, Palmujoki 2001; Kans and Mingst 2005).

2.2.2 Rationale for the Formation of ASEAN

The political imperative was considered as a primary driving force for the formation of ASEAN. It was envisaged as a platform for sustaining peace and prosperity in the region by providing a forum for the discussion and resolution of regional issues, which had the potential to destabilize the region. However, there had also been other factors serving as the driving forces in the formation of this regional grouping. It is significant to note that the establishment of ASEAN also proved the independence and political maturity of its member states. It was considered as the first regional grouping in the region that excluded from participation all the superpowers and was not supported by any of them (Tan 2003; Collins 2003). The following will discuss the rationale for the formation of ASEAN in greater details.

2.2.2.1 Political Environment

As mentioned, the most significant impetus to form ASEAN was the political development from within and outside the region. The following is a discussion on the political environment in that time in greater details.

In the first place, the attitudes of the governments of five founder countries prior to the formation of ASEAN, which were involved in confrontation, whether as adversaries or as conciliator gradually developed in favor of regional cooperation (Leifer 1983). This development had been started since 1965. In that year, an abortive
military coup in Indonesia led to the ousting of President Sukarno and the installation of President Suharto in 1966. Indonesia's new President ended its unpopular policy of confrontation against Malaysia and became an enthusiastic proponent to found a regional grouping (Smith 2001; Tan 2003). This was mainly due to Jakarta, which saw a regional grouping as convincing proof of its final abandonment of confrontation. It also saw regionalism as a vital instrument to ensure domestic stability and to establish the legitimacy of the new regime. In turn, regionalism potentially served as a forum for the expression of Indonesia's leadership in the region (Weinstein 1969; Acharya 2000).

In the same year, President Ferdinand Marcos was elected in the Philippines, he had sought for the way to solve the Sabah disputes with Malaysia through a regional grouping. Meanwhile, Singapore that just separated from the Federation of Malaysia had been facing an acute sense of vulnerability. Its separation also resulted in tension in bilateral relations with Malaysia and it was profoundly suspicious of Indonesia's intention towards its smaller city-state. Singapore thus was eager to join the Association to ensure its sovereignty. Thailand, which was not engaged with these issues, thus was able to play the role of conciliator. However, Thailand as a front-line state in the Vietnam conflict needed a regional platform to cultivate support from non-communist neighbor countries (Leifer 1983; Acharya 2000; Tan 2003; Severino 2006). These were the political developments within the individual founding countries in the region that were in favor of the regional cooperation.

In the second place, the process of ASEAN's formation had been significantly escalated by disengagement of the major powers from the region and the suspicion of communist subversion across the region.

This was clearly evidenced with an increasing relaxation of tension between the United States of America (USA) and the Union of Soviet Socialist Republics (USSR) as well as between the USA and China. The leaders of ASEAN's founding member countries at that time were fearful that such great power compromises would leave their security interests ignored or undermined. Meanwhile, there was also an increasing of Sino-Soviet rivalry for influence in Southeast Asia, which was the consequence of severe rift among them. The frightened ASEAN founding member countries had shared apprehension of being a casualty from the Sino-Soviet
competitive influence (Onn 1976; Owen 1992; Acharya 2000). The consequence of these movements resulted in what Acharya (2000) said:

The establishment of ASEAN also reflected shared threat perception among its members… In this context an early feature of relations among the ASEAN states was joint security measures undertaken on a bilateral basis but reinforced by ASEAN’s collective political and ideological concern against communism (Acharya 2000: 87).

The change of internal and external political structure then was considered as an important factor in the formation of ASEAN.

2.2.2.2 Convergence of Economic Policy

The evolution of post-war economies of the ASEAN member countries had gone through three phases (Owen 1992; Acharya 2000; Severino 2006). These phrases of economic developments became one of the crucial driving forces compelling the leaders of ASEAN founding member countries to work regionally together.

First phase was the rehabilitation and reconstruction of a primary-producing export economy created during the colonial era lasted between mid-1950s and 1960s.

Second phase was the advent of import-substitution industrialization (ISI), which followed up the previous phase had motivated and accompanied in many cases by economic nationalism during the 1960s and 1970s.

Third phase was the export-oriented industrialization (EOI) resulted from the dominant feature of the international political economy in Southeast Asia from the late 1970s onwards with an exception of Singapore where this strategy pioneered since the mid-1960s.

During these three phases the ASEAN founding member countries had faced the similar predicaments in their economic developments and also created a common pattern of economic mechanism to deal with those challenges (Dixon 1991; Acharya 2000; Dutta 2002). There were at least three economic predicaments, which they faced. First was the lack of adequate indigenous capital. Second was the uneven development, limited national integration and plural societies. Third was the
emergence of nationalism and homogenization that aggravated economic competition among the capitalist countries of the region.

The policies, which they implemented to respond to these predicaments, were in ways similar to one another. Firstly, they sought and forged a close alliance between the states, foreign corporations and domestic capitalists. Secondly, they emphasized rapid urban-industrial development and maintained a relatively high degree of openness to the world economy (Imada et al. 1991; Tan 2003; Nandan 2006).

ASEAN therefore, reflected the convergence of economic development strategies to deal with ad hoc situations namely threatening communism and overwhelming capitalism prevailed over the region. In this regard, Shafie (1982: 31) argued that the countries of the ASEAN region had come together to protect the system of free enterprise as a counterpoise against communism on the one hand and monopolistic capitalism on the other.

2.2.2.3 Emerging Environment for Regionalism

The 1960s and 1970s evidenced both the inactive function and declining roles of continental or macro-regional groupings such as the Organization of American States (OAS), the Arabs League and the Organization of African Unity (OAU). This was significantly due to a lack of resources and inability to deal with internal conflicts, which accounted for a large percentage of conflicts in the developing world (Miller 1967; Fawcett 1995). More significantly, these organizations were not able to limit superpower meddling and intervention in regional affairs.

On the other hand, there was an increasing micro-regional or regional and sub-regional groupings such as the Central American Common Market and the East African Community, which were encouraged by their predecessor, the European Economic Community (EEC). The decreasing roles of the former together with an increasing success of the latter gave impetus to more compact regional and sub-regional frameworks for conflict mediation and management, which enjoyed the benefits of greater homogeneity (Acharya 2000; Karns and Mingst 2005).

This development included the regional development in Southeast Asia. Accordingly, the ASEAN founding member countries observed that the old colonial
order in the region was fast coming to an end and viewed advantage in confronting the vulnerable future collectively (Tan 2003).

The states of Southeast Asia realized its relative smallness and weakness of individual member countries in terms of both political and economic powers. In order to deal with the greater political and stronger economic influences of external powers, it needed the collective mechanism as Foreign Minister of Indonesia, Adam Malik (1975: 162-163) realized that the smaller nations of the region have no hope..., unless they act collectively and until they develop stability and common purpose to make its voice united and heard. By this mean only, their interests would be as Prime Minister of Singapore, Lee Kuan Yew (1978) stated, “taken into consideration when the great powers make their compromises” (The Sunday Time 1978).

From these three rationales can be arrived at change of political environment, convergence of economic policy, and an emerging environment for regionalism. The political dimension with the security as a core concern dominated the other two, particularly in the first twenty-four years of its establishment between 1967 and 1991. In contradiction, ASEAN did not emphasize the security issue as the key objective, but economic and social cooperation. This was due largely to economic and social cooperation stood without intra- and inter-conflict. The regionalism that started from a non-conflictual ground and moved to cope with other issues is identified with the notion of functionalism (Hurrell 1995; Palmujoki 2001; Griffiths and O’Callaghan 2004; Kans and Mingst 2005).

2.3 ASEAN’S ADMISSION OF NEW MEMBERS: CHALLENGE AND OPPORTUNITY

Nine years after its establishment, at the First ASEAN Summit in Bali in 1976, the Association expressed ASEAN’s readiness to develop fruitful relations and mutually beneficial cooperation with other countries of the region (ASEAN 2003b). This became the most significant project undertaken by ASEAN in the fulfillment of the “One Southeast Asia” concept. ASEAN pursued its mission in order to admit
other five new members in the region i.e. Brunei Darussalam\textsuperscript{xi} was admitted to ASEAN in 8 January 1984, Vietnam in 28 July 1995, Laos and Myanmar in 23 July 1997, and Cambodia in 30 April 1999 (ASEAN 2003m). They became member: sixth, seventh, eighth, ninth and tenth of the Association, respectively. As a result, all countries in Southeast Asia now belong to the Association.

The encouraging factors of admission of the new members were derived from not only the aspiration of idea of “ASEAN Ten” but also the environments of both negative and positive, which generally contributed in their process of wide and deep integration (Acharya 2000; Tan 2003; Ganesan 2004; Felker 2004).

First was the external development such as the changing global economic and security order including globalization and strategic multipolarity. For instance, the formation of APEC, which included the major trading nations in the world namely the US, Japan and China had been welcomed by ASEAN. These developments in the post-Cold War period compelled ASEAN to strengthen itself both in terms of wider and deeper integration in order to find a place to stand in the changing global scenarios. By doing this, ASEAN as a collective grouping of large and small states could assert a single voice which was in tune with any other player on the international stage (Acharya 2000, 2001, 2003; Palmujoki 2001; Tan 2003; Ganesan 2004; Severino 2006).

Second, the emergence of fresh challenges to intra-regional relation including territorial and political disputes, which had been dormant or sidelined during the Cold War years, had prevailed over the region in post-Cold War era. Among those disputes was the inter-state territory, which was artificially demarcated by the colonial powers. ASEAN realized that the best way to solve these difficulties should be on the negotiation table and through friendship (Acharya 2000, 2001, 2003; Palmujoki 2001; Tan 2003; Ganesan 2004; Severino 2006).

Third, the retrenchment of strategic assistance from superpowers converged with the anxieties of rising China. As a result, the claim of sovereignty over Spratly Islands, for instance, had caused ASEAN to work together in order to deal with

\textsuperscript{xi} It seems to be automatic and smooth process for Brunei in order to become a member of ASEAN because the country was a part of Malaysia, which has been a member country of ASEAN before its separation from Malaysia in 1984.

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Fourth is the confidence of ASEAN that resulted from successful settlement of Cambodia conflict to assume a major role in developing cooperative security frameworks for the larger Asia Pacific region. Through the long process of management of Cambodia conflict, ASEAN had proved itself and won the confidence of involved parties as to the extent to which it worked for peace and stability of the region as a whole (Acharya 2000, 2001, 2003; Palmujoki 2001; Severino 2006; Tan 2003; Ganesan 2004).

Fifth, there were significant developments by non-ASEAN member countries such as Vietnam’s economic model of implementing market-oriented reforms through the Doi Moi (renovation) campaign since 1986. This economic model had been followed by Laos. As a result, the foreign investments were welcomed by these countries. Moreover, a visit to all six ASEAN countries during 1991-1992 by Vietnamese Premier reinforced the change of political will in the region, which was considered as a positive response to the declaration of intention of transforming Indochina from a battlefield into a market place by Thai Premier. The two leaders realized that economic prosperity depended on a peaceful environment and cooperation. Meanwhile, Myanmar and Cambodia found themselves with greater opportunities in engaging in political and economic dialogue with and through the Association rather than through isolated approaches (Acharya 2000, 2001, 2003; Palmujoki 2001; Tan 2003; Ganesan 2004; Severino 2006).

And, sixth, the collapse of communism in Eastern Europe and the end of the Cold War were considered as the most significant cause of those changes in the entire scenario of the world as well as in Southeast Asia. As a result, fear of its communist neighbors particularly Vietnam with large standing armies had been phased out from the ASEAN member countries’ thought. In return, these developments together encouraged the leaders of ASEAN to step forward to embrace the rest of the countries into the Association. Therefore, ASEAN was alarmed and encouraged to tie closer together with the non-member countries in the region in order to deal with the first three negative environments as well as to utilize the advantage of the last three positive mentality and developments (Acharya 2000, 2001, 2003; Palmujoki 2001; Tan 2003; Ganesan 2004; Severino 2006).
In fact, Myanmar and Cambodia had been broached to join the Association as the founding members by Indonesia since the year of its formation in 1967. Myanmar at that time was a neutral and non-aligned country and declined the offer of ASEAN membership. Its decision arose from two reasons (Acharya 2000; Severino 2006).

First, Myanmar had been suspicious of the Association that it would become the successor and develop into a defense alliance as its precedent military pro-US alliance, SEATO. Second, it considered the domestic issues as the priorities of the government to deal with. In fact, at that time, Myanmar had been facing insurgencies in many parts of the country, the economic difficulty and the lack of national unity.

Therefore, Myanmar continued to keep ASEAN at arm’s length throughout the Cold War. With the wake of the end of the Cold War, Myanmar saw ASEAN as a successful association in commitment of peace and non-alignment in the region, then became receptive to ASEAN membership. At the time of its admission to the Association, its leaders (Nyunt\textsuperscript{xii} 2004) shied away from accepting the tangible stimulus in joining the association—the ASEAN’s membership would help confer legitimacy on the junta regime, but stressed that Myanmar sought for membership in ASEAN not for any direct advantage that it might derive from the Association but out of a desire to make a contribution to the region and to participate in the Southeast Asian consensus (Acharya 2000; Severino 2006).

In case of Cambodia, it refused to participate in ASEAN at the time of its formation so as to preserve the country as the “Switzerland of Asia” and maintain its non-aligned status. It preferred being a friend of ASEAN to being a member. These notions were the results of an effort to keep Cambodia as a buffer state between Thailand and Vietnam from taking side between the pro-communist Vietnam and pro-democratic bloc including Thailand and from having its borders violated by Thailand and/or Vietnam. This Cambodia’s stance had changed in the wake of the end of the Cold War and sought to join ASEAN (Acharya 2000; Severino 2006).

In case of Vietnam (Khoan\textsuperscript{\textit{xiii}} 2003, Thanh\textsuperscript{\textit{xiv}} 2003), with the collapse of Soviet Union and the Council for Mutual Economic Cooperation (COMECON), which provided economic assistance for communist countries, it suffered from the

\textsuperscript{xii} Khin Nyunt was the Prime Minister of Myanmar.
\textsuperscript{xiii} Vu Khoan was Deputy Prime Minister of Vietnam.
\textsuperscript{xiv} Trinh Quang Thanh was the Director-General, Institute of International Relations, Vietnam.
huge loss of its total trade with Soviet Union and stood without allies as well as was afraid of China's increasing dominant status in the region. This propelled Hanoi to seek for new market and allies, and it saw ASEAN’s membership as a potential instrument to fulfil its need.

Laos (Lengsavad\textsuperscript{xv} 2004, Sangsomsak\textsuperscript{xvi} 2004 and Sisouvong\textsuperscript{xvii} 2004), expressed its four driving forces to join the Association. First is the fear of isolation, this was heightened by its communist like-minded neighbor Vietnam, which preceded to join the group. Second, ASEAN membership would be a stimulus for Laos to reform economies in enabling itself access to the immense markets both inside and outside ASEAN and to learn English. Third is to ensure its independence and sovereignty after a long history of being under external interference. Fourth, integration with ASEAN would strengthen its political, economic and trade bargaining power vis-à-vis other countries outside the region (Severino 2006).

Brunei was an exceptional case because it automatically joined the Association immediately after gaining independence from Malaysia-the then ASEAN member country. These needs of individual new member countries together with the ASEAN’s aspiration of One Southeast Asia as well as the aforementioned encouraging environments had brought all ten countries to work together under regional aegis of ASEAN.

The skepticism shined on the admission of these new members whether they could adjust with the "ASEAN Way", which the original members of ASEAN had developed throughout the Cold War. There were at least four difficulties faced by ASEAN in the admission of new members (Acharya 2000; Palmujoki 2001; Tan 2003; Severino 2006).

First, the additional bilateral disputes and problems, such as the Thai-Vietnamese, Vietnamese-Cambodian and Thai-Burmese disputes over territories and resources might lead the problematic members to use of force instead of pacific settlement.

\textsuperscript{xv} Somsavat Lengsavad was the Deputy Prime Minister and Foreign Minister of Laos.
\textsuperscript{xvi} Bounkeut Sangsomsak was the Deputy Foreign Minister of Laos.
\textsuperscript{xvii} Sayakane Sisouvong was the Director-General for ASEAN Affairs at the Ministry of Foreign Affairs of Laos.
Second, the publicized anti-China stance in controversial waters of Vietnam versus Malaysian and Indonesian silent suspicions of the rising Chinese naval power might violate a sense of consensus resulting in the division of the organization. In other words, they might together take aggressive action against China, which would break the ASEAN’s norm of non-use of force as a whole.

Third, the ignorance in admission of Myanmar amidst the condemnation of its human rights violation from the West and non-governmental organizations in the region illustrated ASEAN as the organization of authoritarianism.\textsuperscript{xviii}

Fourth, the postponement of Cambodia’s admission caused by its internal political situation put the question on ASEAN’s non-interference doctrine.

Fifth, the different economic development between the richer old member and the poorer new would obstruct the Association to move slower to economic prosperity.

Therefore, with the admission to the Association of the new member countries, ASEAN realized its ambitious goal of ‘One Southeast Asia’ on the one hand and on the other it had to address the political, strategic and economic challenges posed by the new member countries. These challenges have been rooted in the different political and ideological characteristics of the new member regimes particularly because they were economically less development as compared to the old member countries. Particularly, in the case of Myanmar, ASEAN has been facing the difficulties with the US and the EU and these remain till now (Acharya 2001; Tan 2003; Ganesan 2004; Severino 2006).

Consequently, ASEAN has been identified with a “two-tier” grouping that was divided between the six older, more-developed members and the four newer, less developed ones. However, the two-tier ASEAN has been considered better than the two-tier Southeast Asia. Because, failure to do so would propel the other four either individually linking up with other countries or groups of countries or forming their own group apart from and in competition with ASEAN. This would result in the division of the region instead of regional solidarity, and thus the admission of new

\textsuperscript{xviii} Notably, the inclusion of military authoritarian states is not without precedent, since Indonesia, the Philippines and Thailand all had such governments during the association’s history (Ganesan 2004).
members to compose ASEAN Ten is the preferable alternative (Zakaria 2001; Severino 2006).

The imperative conditions in becoming a member of the Association are the location of prospective members in Southeast Asia and the accession to the ASEAN’s basic agreements. Those agreements include norms for inter-state relations, economic, technical or administrative nature such as Treaty of Amity and Cooperation in Southeast Asia (TAC) (ASEAN 1976c), Zone of Peace, Freedom and Neutrality (ZOPFAN) (ASEAN 1971), Agreement on the Common Effective Preferential Tariff (CEPT) Scheme for the ASEAN Free Trade Area (AFTA) (ASEAN 1992), and Agreement on the Establishment of the ASEAN Secretariat (ASEAN 1976b) etc. Apart from these requirements, ASEAN has no precondition for membership such as the political regime, ideological and social systems, and economic policy, or level of development (Palmujoki 2001; ASEAN-Japan Centre 2001-2006; Severino 2006).

The admission of the four new members without having criteria for admission might be a mistake. According to Acharya (2006) it may have been better for the newer members to be allowed to participate in the economic arrangements but not in the political decisions because the political systems of Cambodia, Laos, and Vietnam were too different from those of the ASEAN-6. Particularly, in case of Myanmar, it should not be admitted as a full member pending political reforms in the country, because it was a complete misfit to those of ASEAN-6 (Seveino 2006). As a result, the continued hard-line stance of the junta regime of Myanmar has affected ASEAN’s relationships with some of its important dialogue partners especially the EU and the US. Internally, there have been calls within ASEAN especially by the Thai Foreign Minister to jettison its policy of not commenting publicly on the internal affairs of member states. This might be construed as interference in the domestic politics of neighboring countries (Tan 2003).

Apart from the admission of Brunei that took place automatically and immediately after its independence from Malaysia in 1984, those of other four new member countries took place after the end of the Cold War between 1995 and 1999. This development had contributed in the main stream of new regionalism. Without the change of the global political structure, the expansion of ASEAN was perhaps

\*\*\* In joining ASEAN, new members acted out of political motives; they had no intentions of giving away their sovereign power to a regional organization (Palmujoki 2001).
doubtful whether possible. This was why two of three hypotheses of this thesis were assumed that ASEAN’s historical evolution and achievements are in tune with major aspects of new regionalism and that new regionalism would lead to much wider and deeper integration process in ASEAN. Thus ASEAN took both economic and political tasks by enforcing economic cooperation on the one hand and by swelling the ranks of ASEAN membership on the other (Palmujoki 2001). The wider cooperation of ASEAN could clearly be evidenced with the admission of new member countries that include all ten countries in the region. How did ASEAN deepen the cooperation within the Association will be discussed in the third and fourth chapters in terms of strategy and economy. Those chapters will also examine the validity of the third hypothesis: new regionalism will introduce more competitive integration with East Asian community.

2.4 ASEAN AND ITS DIALOGUE PARTNERS

During the second summit in Kuala Lumpur in 1973 (ASEAN 2003c), the ASEAN heads of governments for the first time met as a group with counterparts from outside the region by holding consultations with the Prime Ministers of Australia, Japan and New Zealand. Since then the foreign ministers of dialogue countries have held annual sessions with ASEAN foreign ministers at the post ministerial conferences that follow every ASEAN ministerial meeting (ASEAN 2003m).

Economic cooperation was ASEAN’s main interest when it established dialogue relations with the major economic partners. However, the relationship became a way for ASEAN to engage the dialogue partners in a discussion of regional and global issues, including security matters (ASEAN 2003m). As a result, there are two phases of external relation throughout the development of the Association (ASEAN 2003n).

In the first phase, ASEAN’s dialogue relations had been shaped by a combination of domestic, regional and global factors in its early years. During this period the primary focus of its diplomacy was to seek assistance to propel the economic development of member countries.
In the second phase, with the rapid economic growth of ASEAN in the eighties and nineties, the nature of dialogue relations changed from that of the first phase to a partnership between equals. Instead of economic, political and security issues have found a growing place in the dialogue forums.

The specific objectives in its external relations as stipulated in the Hanoi Plan of Action 1998 (ASEAN 1998) are to maintain ASEAN’s chairmanship of the ASEAN Regional Forum (ARF); to devise initiatives to advance on a consensual basis and at a pace comfortable to all; to enhance consultation and coordination of ASEAN positions at the United Nations and other international forums; to revitalize ASEAN’s relations with its dialogue partners on the basis of equality, nondiscrimination and mutual benefit; and to build cooperative ties with states in the Asia-Pacific region.

Accordingly the most important external forum of the association are ASEAN Regional Forum (ARF) and ASEAN Plus Three (China, Japan and Korea) in terms of strategic and economic respectively, and these would be discussed in Chapter III and IV.

ASEAN had its first formally established dialogue relations with Australia in 1974, followed by New Zealand in 1975. The United States became a dialogue partner in 1997, when ASEAN-Japan relation that began in 1973 was formalized. ASEAN’s dialogue relationship with Canada started in 1977 and was formalized in 1981. ASEAN established dialogue relations with the United States and the United Nations Development Programme (UNDP) in 1977. Notably, the UNDP is the only multilateral organization, which has been recorded Dialogue Partner status in ASEAN. Formal relations with the European Union were formed in 1980 with the signing of the ASEAN-EC Cooperation Agreement. The ASEAN-Republic of Korea (ROK) Sectoral Dialogue relations were formalized on 2 November 1989 and the ROK was elevated to the status of a Dialogue Partner in July 1991. India, which had been a Sectoral Dialogue Partner of ASEAN since 1993, was elevated to a Dialogue Partner in 1995. China and Russia, which began consultative relations with ASEAN in 1991, were accorded Dialogue status in 1996. Pakistan established Sectoral Dialogue relations with ASEAN in 1997 (ASEAN 2003, 2003; Severino 2006).
Through its Dialogue relations, ASEAN has not only served the cause of its own development, but it has also done great service to the cause of international understanding. It has contributed to the growth of the spirit of cooperation and interdependence among nations. As Malaysian Prime Minister Mahathir Bin Mohamad has eloquently pointed out, “ASEAN on its own might not be able to change the world. But with other like-minded nations, we can make a difference and achieve a lot” (ASEAN 2003m). As a result, ASEAN became the hub of Asia’s growth in the 21st century (Cuyvers et al. 2005; Severino 2006; Plummer and Click 2006).

The membership of ten countries in the region together with these twelve dialogue and sectoral dialogue partners, ASEAN proved successful in its wider cooperation. Interestingly, eight of those dialogue partners namely Australia, New Zealand, Japan, the US, Canada, the UNDP, the EU and ROK came to work with ASEAN prior to the end of the Cold War and their political regime is democracy. Meanwhile, India, China, Russia and the only sectoral dialogue partner-Pakistan started their partnership after the end of the Cold War. This development shaped the structure of bi-polarized regionalism in the Cold War era. Consequently, the end of the Cold War significantly contributed in the whole picture of regionalism. These developments again strengthen the first two hypothesesxx of this thesis. However, this expansion of ASEAN did not prove its deeper cooperation with those new member countries and dialogue partners and these issues will be discussed in the next two chapters.

2.5 INSTITUTIONAL MECHANISM OF ASEAN

In order to understand the evolution of ASEAN as an association, we need to examine both its external and internal structure and mechanism. ASEAN’s members and dialogue partners assist us to understand its figure, meanwhile the other two contents namely the institutional mechanism and the Way of ASEAN will be respectively addressed in understanding the latter part.

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xx Hypotheses of the thesis: ASEAN’s historical evolution and achievements are in tune with major aspects of new regionalism; new regionalism would lead to much wider and deeper integration process in ASEAN; new regionalism will introduce more competitive integration with East Asian community.
Accordingly, the foundation document in establishment of ASEAN and also the related ones will be investigated. The third article of Bangkok Declaration 1967 (ASEAN 1967) established the institutional mechanism of the Association in order to carry out its aims and purposes, the machinery composed of:

(a) Annual Meeting of Foreign Ministers, which shall be rotation and referred to as ASEAN Ministerial Meeting. Special Meetings of Foreign Ministers may be convened as required.

(b) A standing committee, under the chairmanship of the Foreign Minister of the host country of his representative and having as its members the accredited Ambassadors of the other member countries, to carry on the work of the Association in between Meetings of Foreign Ministers.

(c) Ad-Hoc Committees and Permanent Committees of specialists and officials on specific subjects.

(d) A National Secretariat in each member country to carry out the work of the Association on behalf of that country and to service the Annual or Special Meetings of Foreign Ministers, the Standing Committees and such other committees as may hereafter be established (ASEAN 1967).

ASEAN has developed its structures and mechanisms for decades at various levels from the permanent committees, subcommittees, and ad hoc committees to the regional institution i.e. ASEAN Secretariat in Jakarta, Indonesia and a national ASEAN secretariat in each member countries as part of its own civil service (Zweifel 2007). Accordingly ASEAN mechanisms can be divided into two levels secretarial and ministerial.

2.5.1 Secretarial Level

The ASEAN Secretariat was set up on 24 February 1976 by the Foreign Ministers of ASEAN. The Secretariat is headed by the Secretary-General with five-year term, initially the post of Secretary-General lasted for two years, which was changed to three years in 1998 and five years in 1992 respectively. Its basic mandate as state in the ASEAN Secretariat: Basic Mandate, Functions and Composition is “to provide for greater efficiency in the coordination of ASEAN organs and for more
effective implementation of ASEAN projects and activities” with an enlarged mandate in 1992 “to initiate, advise, coordinate and implement ASEAN activities” (ASEAN 2004c).

Chart 1 Organizational Structure of the ASEAN Secretariat


In 1994, the Public Affairs of the ASEAN Secretariat with the financial contribution extended by the Governments of Japan\textsuperscript{xxi} and the Republic of Korea\textsuperscript{xxii} as well as the support of the United Nations\textsuperscript{xxiii} launched the ASEAN official homepage :http://www.aseansec.org and an email address: public@aseansec.org (ASEAN 2007g).

The organizational structure of Secretariat composes of (i) a Secretary-General\textsuperscript{xxiv}, (ii) Deputy Secretary-Generals, (iii) Bureau Directors, (iv) assistants, (v) program coordinators, (vi) senior officers, (vii) program officers and (viii) assistant

\textsuperscript{xxi} Under the Japan-ASEAN General Exchange Fund.
\textsuperscript{xxii} Under the ASEAN-Korea Special Cooperation Fund.
\textsuperscript{xxiii} Under the ASEAN Sub-regional Financial Programme for the Fifth Cycle 1992-1996.
\textsuperscript{xxiv} Since its establishment, there have respectively been twelve Secretary-General namely H.R Darsono, Indonesia; Umarjadi Notowijono, Indonesia; Da Tuk Ali Bin Abdullah, Malaysia; Narciso G. Reyes, the Philippines; Chan Kai Yau, Singapore; Phan Wannamethee, Thailand; Roderick Yong, Brunei Darussalam; Rusli Noor, Indonesia; Dato Ajit Singh, Malaysia; Rodolfo C. Severino Jr, the Philippines; Ong Keng Yong, Singapore; Surin Pitsuwan, Thailand (ASEAN 2006, 2007j).
program officers (See Chart 1). The ASEAN Secretariat is situated in Jakarta, Indonesia, and its operational budget is prepared annually and funded through equal contribution by all ASEAN member countries.

2.5.2 Ministerial Level

Chart 2 Organizational Structure of ASEN Summit

![Organizational Structure Diagram]

AEM : ASEAN Economic Ministers
AMM : ASEAN Ministerial Meeting
AFMM : ASEAN Finance Ministers Meeting
SEOM : Senior Economic Officials Meeting
ASC : ASEAN Standing Committee
SOM : Senior Officials Meeting
ASFOM : ASEAN Senior Finance Officials Meeting
SC : Special Committee
WG : Working Group

2.5.2.1 ASEAN Ministerial Bodies

There are 28 ASEAN ministerial bodies having held regular and irregular meetings on different issues (See Table 6). In this regard a number of 29 committees of senior officials and 122 technical working groups were set up in order to support these ministerial bodies.

<table>
<thead>
<tr>
<th>No.</th>
<th>ASEAN Ministerial Bodies</th>
<th>Acronym</th>
<th>Set up</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>ASEAN Ministerial Meeting</td>
<td>AMM</td>
<td>1967</td>
<td>annual</td>
</tr>
<tr>
<td>2.</td>
<td>ASEAN Law Ministerial Meeting</td>
<td>ALAWMM</td>
<td>1986</td>
<td>once in two years</td>
</tr>
<tr>
<td>3.</td>
<td>ASEAN Regional Forum</td>
<td>ARF</td>
<td>1994</td>
<td>annual</td>
</tr>
<tr>
<td>4.</td>
<td>ASEAN Ministerial Meeting on Transnational Crime</td>
<td>AMMTC</td>
<td>1997</td>
<td>once in two years</td>
</tr>
<tr>
<td>5.</td>
<td>ASEAN Defence Ministers Meeting</td>
<td>ADMM</td>
<td>2006</td>
<td>annual</td>
</tr>
<tr>
<td>6.</td>
<td>ASEAN Economic Ministers</td>
<td>AEM</td>
<td>1975</td>
<td>annual</td>
</tr>
<tr>
<td>7.</td>
<td>ASEAN Ministers on Agriculture and Forestry</td>
<td>AMAF</td>
<td>1979</td>
<td>annual</td>
</tr>
<tr>
<td>8.</td>
<td>ASEAN Ministers on Energy Meeting</td>
<td>AMEM</td>
<td>1980</td>
<td>annual</td>
</tr>
<tr>
<td>9.</td>
<td>ASEAN Ministerial Meeting on Science and Technology</td>
<td>AMMST</td>
<td>1980</td>
<td>once in two years</td>
</tr>
<tr>
<td>10.</td>
<td>ASEAN Free Trade Area Council</td>
<td>AFTA Council</td>
<td>1992</td>
<td>annual</td>
</tr>
<tr>
<td>11.</td>
<td>Ministerial Meeting of the ASEAN-Mekong basin Development Cooperation</td>
<td>AMBDC</td>
<td>1996</td>
<td>annual</td>
</tr>
<tr>
<td>12.</td>
<td>ASEAN Transport Ministers Meeting</td>
<td>ATM</td>
<td>1996</td>
<td>annual</td>
</tr>
<tr>
<td>13.</td>
<td>ASEAN Finance Ministers Meeting</td>
<td>AFMM</td>
<td>1997</td>
<td>annual</td>
</tr>
<tr>
<td>14.</td>
<td>Meeting of ASEAN Tourism Ministers</td>
<td>M-ATM</td>
<td>1998</td>
<td>annual</td>
</tr>
<tr>
<td>15.</td>
<td>ASEAN Investment Area Ministerial Council</td>
<td>AIA Council</td>
<td>1998</td>
<td>annual</td>
</tr>
<tr>
<td>16.</td>
<td>ASEAN Telecommunications and IT Ministers Meeting</td>
<td>TELMIN</td>
<td>2001</td>
<td>annual</td>
</tr>
<tr>
<td>17.</td>
<td>ASEAN Ministerial Meeting on Minerals</td>
<td>AMMin</td>
<td>2005</td>
<td>once in three years</td>
</tr>
</tbody>
</table>
### ASEAN Socio-Cultural Community (ASCC)

<table>
<thead>
<tr>
<th>No.</th>
<th>Meeting Description</th>
<th>Code</th>
<th>Year</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>18.</td>
<td>ASEAN Labour Ministers Meeting</td>
<td>ALMM</td>
<td>1975</td>
<td>once in two years</td>
</tr>
<tr>
<td>19.</td>
<td>ASEAN Ministerial Meeting for Social Welfare and Development</td>
<td>AMMSWD</td>
<td>1979</td>
<td>once in two years</td>
</tr>
<tr>
<td>20.</td>
<td>ASEAN Health Ministers Meeting</td>
<td>AHMM</td>
<td>1980</td>
<td>once in two years</td>
</tr>
<tr>
<td>21.</td>
<td>ASEAN Ministerial Meeting on the Environment</td>
<td>AMME</td>
<td>1981</td>
<td>once in three years</td>
</tr>
<tr>
<td>22.</td>
<td>ASEAN Ministers Responsible for Information</td>
<td>AMRI</td>
<td>1989</td>
<td>every 18 months</td>
</tr>
<tr>
<td>23.</td>
<td>ASEAN Ministerial Meeting on Youth</td>
<td>AMMY</td>
<td>1992</td>
<td>once in three years</td>
</tr>
<tr>
<td>24.</td>
<td>ASEAN Ministerial Meeting on Haze</td>
<td>AMMH</td>
<td>1997</td>
<td>as necessary</td>
</tr>
<tr>
<td>25.</td>
<td>ASEAN Ministers Meeting on Rural Development and Poverty Eradication</td>
<td>AMRDPE</td>
<td>1997</td>
<td>once in two years</td>
</tr>
<tr>
<td>26.</td>
<td>ASEAN Ministers Responsible for Culture and Arts</td>
<td>AMCA</td>
<td>2003</td>
<td>once in two years</td>
</tr>
<tr>
<td>27.</td>
<td>ASEAN Ministerial Meeting on Disaster Management</td>
<td>AMMDM</td>
<td>2004</td>
<td>as necessary</td>
</tr>
<tr>
<td>28.</td>
<td>ASEAN Education Ministers Meeting</td>
<td>ASED</td>
<td>2006</td>
<td>annual</td>
</tr>
</tbody>
</table>


#### 2.5.3 Procedures of Decision Making

There are four steps in order to bring any agenda or issue up to the supreme decision making organ i.e. ASEAN Summit. Firstly, the relevant technical working groups (or sub-committees) must deliberately examine an agenda or issue. Second step is to highlight the issue or agenda at the committees of senior officials. Third, the issue which decided by the committees to be discussed and decided at the Ministerial Meeting, will be brought up at the relevant Ministerial Bodies. In case of the issue is beyond the jurisdiction of those Ministerial Bodies and required to be approved by Heads of State and Government, finally, it will be endorsed during the Summit (Zweifel 2007; LESTARI 2006; ASEAN 2007d; Rajaram 2007). (See Table 7)
Table 7 Procedures of Decision Making

<table>
<thead>
<tr>
<th>Issue or agenda to be discussed at</th>
<th>Working Group</th>
<th>Committee of Senior Officials</th>
<th>Ministerial Bodies</th>
<th>ASEAN Summit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step No.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>


The ministerial-level mechanism of ASEAN i.e. ASEAN Ministerial Meetings (AMM) with ASEAN Summit is the apex of its structure. The ASEAN Summit is structurally the supreme decision-making organ of ASEAN where the Heads of Government will meet formally every year (from the 7th Summit in 2001 onwards). The Summit is preceded by a Joint Ministerial Meeting (JMM) composed of Foreign and Economic Ministers. Before bringing up an agenda to the Summit the discussion on particular issues will be held at ministerial level meetings (ASEAN Ministerial Bodies) namely ASEAN (Foreign) Ministerial Meeting (AMM), ASEAN Economic Ministers (AEM), ASEAN Finance Ministers Meeting (AFMM), and others. Under the ministerial level bodies there are committees of senior officials and technical working groups in order to support those bodies respectively. The ASEAN Standing Committee (ASC), under the Chairmanship of the Foreign Minister of the country-in-chair, is mandated to coordinate the work of the Association in between the annual AMM\(^{xxv}\) (See Chart 2).

The 1st ASEAN Summit was held at Bali, Indonesia in 1976 (nine years after the establishment of the Association). Since then, there have been 12 ASEAN Summits (as of May 2007). The 2nd Summit was held one year after the initial one. For the next ten years till 1987, there were no Summits held. In 1987, the 3rd Summit was held in the Philippines. During this Summit the ASEAN Leaders decided to hold the Summit every five years. Thus five years later the 4th Summit was held in Singapore where the decision to hold the Summit every three years was agreed. Therefore every three years the 5th, 6th and 7th Summits were held at Bangkok,  

\(^{xxv}\) The ASEAN Chair and Vice Chair are elected based on alphabetical rotation of all ASEAN member countries (ASEAN 2007f).
Thailand in 1995; Hanoi, Vietnam in 1998; and Bandar Seri Begawan, Brunei in 2001 respectively. Again during the 7th Summit the decision to hold the annual Summit was made so that the 8th till 12th Summits were held annually. (See Table 8 ASEAN Formal and Informal Summit).

The member countries were obliged to host the Summit in alphabetical order with an exception of Myanmar that gave up its 2006 hosting turn in 2004 due to the pressure from external key players namely the European Union (EU) and the United States (US) for its worse democratic and human rights records.

Table 8 ASEAN Formal and Informal Summit

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Year</th>
<th>Place</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>23-24 February</td>
<td>1976</td>
<td>Bali</td>
<td>Indonesia</td>
</tr>
<tr>
<td>2nd</td>
<td>4-5 August</td>
<td>1977</td>
<td>Kuala Lumpur</td>
<td>Malaysia</td>
</tr>
<tr>
<td>3rd</td>
<td>14-15 December</td>
<td>1987</td>
<td>Manila</td>
<td>Philippines</td>
</tr>
<tr>
<td>4th</td>
<td>27-29 January</td>
<td>1992</td>
<td>Singapore</td>
<td>Singapore</td>
</tr>
<tr>
<td>5th</td>
<td>14-15 December</td>
<td>1995</td>
<td>Bangkok</td>
<td>Thailand</td>
</tr>
<tr>
<td>6th</td>
<td>15-16 December</td>
<td>1998</td>
<td>Hanoi</td>
<td>Vietnam</td>
</tr>
<tr>
<td>7th</td>
<td>5-6 November</td>
<td>2001</td>
<td>Bandar Seri Begawan</td>
<td>Brunei</td>
</tr>
<tr>
<td>8th</td>
<td>4-5 November</td>
<td>2002</td>
<td>Phnom Penh</td>
<td>Cambodia</td>
</tr>
<tr>
<td>9th</td>
<td>7-8 October</td>
<td>2003</td>
<td>Bali</td>
<td>Indonesia</td>
</tr>
<tr>
<td>10th</td>
<td>29-30 November</td>
<td>2004</td>
<td>Vientiane</td>
<td>Laos</td>
</tr>
<tr>
<td>11th</td>
<td>12-14 December</td>
<td>2005</td>
<td>Philippines</td>
<td>Malaysia</td>
</tr>
<tr>
<td>12th</td>
<td>11-14 January (postponed from December 2006 because of Typhoon Seniang)</td>
<td>2007</td>
<td>Cebu</td>
<td>Philippines</td>
</tr>
</tbody>
</table>

ASEAN Informal Summit

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Year</th>
<th>Place</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>30 November</td>
<td>1996</td>
<td>Jakarta</td>
<td>Indonesia</td>
</tr>
</tbody>
</table>
The formal summit lasts for three days in order to discuss and resolve regional issues as well as to conduct other meetings with other countries outside the bloc with the intention of promoting external relations. According to the usual schedule the leaders of member countries would hold (i) an internal organization meeting; (ii) a conference together with foreign ministers of the ASEAN Regional Forum; (iii) a meeting known as “ASEAN Plus Three” with the leaders of three Dialogue Partners (China, Japan, South Korea); (iv) a separate meeting known as ASEAN-X summit such as ASEAN-CER with the leaders of two Dialogue Partners (Australia, New Zealand) and so on (ASEAN 2007c).

2.6 ASEAN WAY AND ITS RELEVANCE

The ASEAN member countries since the inception of the Association have adopted and specified a set of principles and norms for intra-regional relations. These norms of ASEAN came from a mix of two sources. On the one hand, ASEAN has learnt its norms from common requirement of international organization such as the United Nations (UN) and Bandung Declaration (Acharya 2001; Palmujoki 2001; Katsumata 2003). ASEAN firstly enshrined international norms of interstate relation in the Treaty of Amity and Cooperation (TAC) signed in 1976 (ASEAN 1976c). In the TAC, the ASEAN member countries outlined five principles for their intra-regional relations. They are:

1) Mutual respect for the independence, sovereignty, equality, territorial integrity and national identity of all nations;

2) The right of every state to lead its national existence free from external interference, subversion or coercion;
3) Non-interference in the internal affairs of one another;

4) Settlement of differences or disputes by peaceful means; and

5) Renunciation of the threat or use of force (ASEAN 1976c).

These principles will be referred to in this thesis as international-value-based norm.

On the other hand, ASEAN has also cultivated its norms from the local, social, cultural and political milieu. These norms have been known as Musyawarah (consultation) and Mufakat (consensus), which are associated with village politics in Indonesia and to a lesser extent in Malaysia and the Philippines (Acharya 2001; Collins 2003). These have been considered as a twin of diplomatic norms shared by the members of ASEAN. They could be identified with an informal and incremental approach of cooperation through lengthy consultation and dialogue among the ASEAN members (Katsumata 2003) in order to seek the totality, not the majority (Sundararaman 2004), to achieve a collective goal (Acharya 2000). These principles assure the absolute sovereignty of the member countries and reiterate the idea that decisions of the organization should not harm the interests of any of its members (Palmujoki 2001). These norms will be referred to in this thesis as regional-value-based norm.

These two sets of principles and norms have been referred to as the “ASEAN Way” (Moller 1998; Caballero-Anthony 1998, 2002, 2005; Acharya 2000, 20001; Palmujoki 2001; Katsumata 2003, 2004; Nathan 2004; Greve 2004; Stubbs 2004; Severino 2006). ASEAN leaders claimed them particularly the latter set of norms that based on regional value as a distinctive approach to inter-state relations and regional cooperation among ASEAN member countries.

2.6.1 ASEAN Way That Is Based on International Principle

According to Acharya (2001) we can abstract the above five principle into four core categories. They are: first, those dealing with the non-use of force and the pacific settlement of disputes; second, concerning regional autonomy and collective self-reliance; third, the doctrine of non-interference in the internal affairs of states;
and fourth, the rejection of an ASEAN military pact and the preference for bilateral defense cooperation.

In this thesis the international value of the ASEAN Way would be discussed on three premises. First is the regional autonomy and collective self-reliance, this argument was abstracted from the first two principles. Second is non-use of force and pacific settlement of disputes, this argument was abstracted from the last two principles. Third argument is the principle of non-interference, which was laid down as the founding stone of the ASEAN Way.

In this regard, the fourth argument according to Acharya (2001), the rejection of an ASEAN military pact and the preference for bilateral defense cooperation, could not be abstracted from the above principles that stipulated in the TAC. It will be considered as a nature or objective of the Association and would be discussed at the topic concerned in chapter III (Acharya 2000, 2001, 2006; Collins 2003; Ganesan 2004; Caballero-Anthony 2005; Severino 2006).

First, non-use of force and pacific settlement of disputes has been adopted by ASEAN in order to refrain its members from a military confrontation. This norm was the product of a desire by the ASEAN five original member countries to create a mechanism for war prevention and conflict management. ASEAN had learnt that the inclination to use of force led to the demise of ASEAN's predecessors namely the Association of Southeast Asia (ASA) and MAPHILINDO. The demise of the former directly caused by the Philippine claim over Sabah, which was under Malaysian sovereignty, and the policy of confrontation of Indonesia against Malaysia was the direct cause of demise of the former initiative.

In addition, after the formation of ASEAN, the recurrence of the Sabah dispute between Malaysia and the Philippines has threatened the survival of the fledgling Association. As a most severe result, Malaysia refused to take part in any further ASEAN meetings where the Philippines might raise the Sabah issue. In order to prevent the same dispute to cause the demise of ASEAN, the rest of its member countries had sought for a pacific settlement of disputes. They persuaded the two sides to minimize their public airing of the dispute and accept a cooling-off period. Thailand and Indonesia made a statement to urge restraint on both sides for the sake of ASEAN. In March 1969, Manila agreed not to raise the Sabah issue at future
ASEAN meetings and this was positively reacted to by Malaysia’s side. Consequently, the Philippines and Malaysia had resumed the ASEAN meeting with their partners since May 1969.

The lessons, which ASEAN experienced throughout these periods, urged the original member countries to lay down non-use of force and pacific settlement of disputes as one of the norms in the TAC.

Second, regional autonomy or ‘regional solutions to regional problems. This norm reflected an uncertainty of ASEAN member countries in the dependence on security guarantees by the US and Britain and fear of increasing contestation to dominate the region between China and USSR. In the first case, the heightened uncertainties of ASEAN had been evidenced by a decreasing direct involvement in security of the region by the US and Britain since late-1960s. In this dilemma, self-reliance was considered as the best choice for ASEAN by remaining security ties with the USA and Britain as close as possible on the one hand. And on the other, ASEAN distanced itself as far as possible from China and USSR, because they might use the region as a battlefield for power contestation.

However, this norm has been changed since the end of the Cold War when ASEAN pursued a regional security framework that would engage, rather than exclude, the outside powers. This change has been apparently evidenced with the formation of ASEAN Region Forum (AFR) in 1994. This forum included all major powers such as the US, China, and Russia to discuss on regional security of Southeast Asia and Asia as a whole. The ARF will be a matter of discussion in the next chapter.

Third, the doctrine of non-interference has been considered as the most important principle underpinning ASEAN regionalism (Acharya 2001) and the cardinal principle of the ASEAN Way (Collins 2003). We can understand the sources of this principle by contrast with the first two. The norms of non-use of force and regional autonomy reflected the ASEAN’s concern for security against interstate disputes and extra-regional threats, but the doctrine of non-interference can only be understood in the context of the domestic security concerns of the ASEAN states. This was due largely to the perception of the ASEAN member states that the primary sources of threat to the national security of the ASEAN states were not external, but internal. The domestic conflicts of the ASEAN states were aggravated by foreign
factors, including interference from close neighboring countries, but the domestic sources of instability had the spillover effects, causing friction in interstate relations. In order to put their own individual states into order, the ASEAN member states needed non-interference to be assured by external powers and their neighboring countries (Moller 1998; Katsumata 2003, 2004; Haacke 2005).

2.6.1.1 Challenge to Non-interference

In the ASEAN context, non-interference means refraining public criticism of one another of the ASEAN member states. This should not be interpreted that the ASEAN member states are indifferent to one another. Indeed, states elites have aided other elites as they seek to consolidate positions of power and generate legitimacy for the regime. In this regard, Collins (2003) spelled out three forms of non-interference, which had been committed by the ASEAN member countries.

First is the refusal to criticize publicly. This was evidenced during the “people power” revolt in the Philippines in 1986, the ASEAN member states initially ignored the revolt taking place, and they dropped their implicit support for Ferdinand Marcos’s regime only after the United States had withdrawn its support. During 1992, the ASEAN member states did not respond to the military crackdown in Thailand, and when Indonesia annexed East Timor and was subject to a hostile resolution in the UN General Assembly in December 1975, the ASEAN member countries supported Indonesia’s position. Recently, there was no criticism against military coup in Thailand in 2006, which resulted in ousting elected prime minister. More significantly, when the junta of Myanmar violently cracked down the monk-led popular protest in September 2007, ASEAN member countries kept themselves distance from addressing the issues (Moller 1998; Katsumata 2003, 2004; Haacke 2005; Asia Media 2007; Mydans 2007; CNN 2007).

Second, the ASEAN member countries have assisted each other in their internal conflicts, with both military and political support. For instance, Indonesia provided military transport aircraft to assist the Marcos regime in the Philippines in its conflict against communist insurgents. Bilateral defense cooperation arrangements between Malaysia and Indonesia, and Malaysia and Thailand were established to help fight insurgency movements. Political support from the ASEAN member states has
also come in the form of strong backing. When Corazon Aquino replaced Marcos in the Philippines, her position was threatened by both the communists and disgruntled military officers. Despite security concerns, the other ASEAN member states attended the Manila Summit in December 1987, and thereby showed their willingness to endorse President Aquino’s authority (Moller 1998; Katsumata 2003, 2004; Haacke 2005).

The third form of non-interference is a willingness of the ASEAN member countries to criticize any act of interference. The Vietnamese invasion of Cambodia in December 1978 was a good example of this. Although the invasion resulted in the replacement of the despotic Pol Pot regime, ASEAN criticized the invasion on the grounds that it breached Cambodia’s territorial integrity and threatened its political system (Moller 1998; Katsumata 2003, 2004; Haacke 2005).

Hence, Collins (2003) asserted that non-interference coupled with the ASEAN Way of consultation and consensus decision-making, which creates the perception of public unity by not shaming another member, has been the principal means by which ASEAN member states have assisted each other’s pursuit of security via nation building. As a result, they could devote resources to solve their internal security threats by all means and often in a brutal fashion because their neighbors would not intervene.

However, the non-interference norm has had contradictory effects on the ASEAN’s records. On the one hand, it has helped manage bilateral disputes and prevent their escalation into violence and regional destabilization, thereby contributing to peace, stability and community-building among states. On the other hand, the norm has prevented ASEAN from playing a useful role in domestic crises. The organization was ineffective in coping with the Asian Financial Crisis of 1997, which will be discussed in chapter IV. The norm of non-interference had been also shaken by the attitude of ASEAN toward Myanmar and Cambodia when domestic factors of these two countries were taken into consideration by ASEAN (Acharya 2000, 2001, 2006; Collins 2003; Nathan 2004; Ganesan 2004; Caballero-Anthony 2005; Severino 2006).
2.6.2 ASEAN Way That Is Based on Regional Value

Alan Collins (2003) outlined three facets embedded within regional value of the ASEAN Way. Those are: first, decision-making was achieved through consultation and consensus; second, if a compromise cannot be found, then the issue is adjourned; and third, members are prepared to defer their own interests to the interests of the Association. In addition, Acharya (2001: 63-70) pointed out two particular elements of it. They are first, the preference for informality and related aversion to institutionalization; and second is the concept and practice of consensus building. In sum, there are four elements of the ASEAN Way at local-shared value to be discussed (Caballero-Anthony 2005; Severino 2006).

With the first aspect, the ASEAN member countries would begin any discussion at a level of informal consultation where differences can be aired and a compromise sought. Once a general consensus is reached on the issue, this was considered as the starting point for discussions, with unanimous agreement on the desired outcome. This informal consultation was conducted long before the ASEAN conventions, the members would negotiate with one another about proposals and ascertaining their likely degree of support. After some manipulation, if the proposal was acceptable to the other members, it would be placed on the ASEAN agenda; if not, it would likely be dropped. The process of consultation and consensus thus help the ASEAN member countries to "save face" because none will be shamed by the decision reached. However, Collins (2003) emphasized that consensus does not equate to unanimity. If one member disagreed with a proposal and found itself in a minority, and if the issue itself would not have negative repercussions when implemented, even though the member did not support the issue, but it would not prevent others from proceeding. This process of consultation and consensus would deliver a principle of the "ASEAN Minus X" (Moller 1998; Katsumata 2003, 2004; Haacke 2005).

The second element of adjournment would be observed when the ASEAN member countries could not reach a compromise on any issue. This adjournment of issues is colloquially described as "sweeping controversial issues under the carpet" (Collins 2003: 134). Mely Caballero-Anthony (1998) referred to adjournment as "agreeing to disagree". An example of adjournment of issue was the Malaysia-Philippine dispute over the state of Sabah. The dispute resulted in curtailing
diplomatic relations between the two countries and Malaysia’s refusing to attend the ASEAN meetings where the Philippines could raise the matter. Thailand and Indonesia urged restraint and persuaded both sides to limit the public airing of their grievances. Up until the Philippines had agreed not to raise the Sabah issue in the ASEAN meetings, Malaysia-Philippine diplomatic relations resumed and ASEAN was back to its normal situation. This event had been taken place between 1968 and 1969, up to now the issue of dispute over Sabah remained unsolved. This was evidenced with recent development, in 1998, the Philippine President Joseph Estrada established a task force to review the Sabah issue and again in 2002, the Philippine President Gloria Arroyo reconvened an advisory council on Sabah that had been established in 1993. Whilst, Kuala Lumpur sought assurances from Manila that the administration would not revive the Philippine claim. These developments were clearly signaling that Manila has not abrogated its claim to Sabah and it remains a disputed territory (Collins 2003). In turn, this also reflexes the nature of ASEAN that it has not become a conflict resolution body.

The third norm is the willingness of the ASEAN member countries to defer their own national interests to the interests of the Association as a whole. This norm, according to Collins (2003), was a feature of Indonesia’s actions, which mostly marked during the Vietnamese occupation of Cambodia. With the Vietnamese occupation of Cambodia, Indonesia sought a compromise allowing Hanoi to retain de facto domination of Cambodia because it viewed Vietnam as a buffer against Chinese influence in Southeast Asia. Neighboring Thailand at that time had become the “front-line” state, which was facing severe threat from communist domino to occupy its territory. Bangkok therefore steered ASEAN toward a confrontational stance with Vietnam and established a de facto alliance with China as it sought to undermine Vietnam’s occupation of Cambodia and to prevent communist expansion. The Thai-led ASEAN approach was not in the Indonesian interest. However, Indonesia after realization of its initiatives were not supported by the ASEAN member partners and were deemed not to be in the ASEAN’s and Thai interests in particular, prepared to subordinate its concerns regarding China’s long-term threat to Thailand’s desire to balance Vietnam’s Soviet-sponsored communist expansion (Moller 1998; Katsumata 2003, 2004; Haacke 2005).
The last element of the preference for informality and a related aversion to institutionalization had been evidenced throughout the ASEAN’s development. The first ever Summit of the ASEAN leaders did not take place until eight years after the grouping’s formation and there were only four Summits in the first twenty-five years of the ASEAN’s existence. In other words, until the 1990s, the ASEAN Secretariat was kept very small, and its head was called the Secretary-General of the ASEAN Secretariat, rather than the Secretary-General of ASEAN. As ASEAN evolved, the value of close interpersonal contacts among senior government officials came to be increasingly recognized. Carlos Romulo, the Foreign Secretary of the Philippines, was believed to have said: ‘I can pick up the telephone now and talk directly to Adam Malik (Indonesia’s Foreign Minister) or Rajaratnam (Singapore’s Foreign Minister). We often find that private talks over breakfast prove more important than formal meetings’ (Hoang 1996: 67). Informality therefore is one of key aspects of the ASEAN’s character.

However, there are contentions over the existence of the ASEAN Way (Busse 1999; Nischake 2002; Collins 2003; Veverino 2005; Calballero-Anthony 2005). At the first place, the contention referred to the norm of consensus decision-making during the Vietnamese occupation of Cambodia, Thailand’s de facto alliance with China did not involve consultation with its ASEAN colleagues. Even the Thai’s changed approach to the conflict in 1988, when Chatichai Choonhavan became prime minister and announced a desire to turn Indochina “from a battlefield into a marketplace,” was seen as breaching the ASEAN’s procedural norms. He had made no effort to consult his ASEAN partners and seek consensus for a new ASEAN policy on Indochina. Instead he pursued unilaterally an initiative that represented a volte-face from the previous ASEAN position.

At the second place, the contention over the ASEAN Way is also seen regarding the adjournment norm. Collins (2003) referred to the Kuantan Statement of 1980, which was made by Indonesia and Malaysia that could be interpreted as either supporting or undermining this norm. The statement from Indonesia and Malaysia called on the USSR and China to stay out of the Cambodian conflict, which was not the Thai position. According to Nischalke (2000; 2002), making such a public declaration with knowledge that it would oppose the Thai position was clearly at odds with keeping one’s own counsel when compromise cannot be found. Yet an
alternative interpretation would be that Jakarta and Kuala Lumpur allowed the Kuantan Statement to lapse because Thai Prime Minister Prem Tinsulanond found it unacceptable. Indonesia and Malaysia therefore did not pursue a policy publicly that would prejudice the ASEAN solidarity (Ganesan 2004).

Acharya (2001) also argued that the informality that marked the ASEAN’s formative years became less apparent in the 1980s and 1990s. This had been evidenced with a proliferation of ministerial and bureaucratic consultations, which covered an expanding range of issue areas. Since 1995, the ASEAN Summits had become much more frequent and since 2001, it has been conducted on annual basis. The Singapore Summit in 1992 also decided to expand the secretariat, and upgrade the status of the secretary-general to cabinet rank, with the office redesignated the Secretary-General of ASEAN. Moreover, today, ASEAN was busy with a drafting of the ASEAN Charter to seek for the status of a legal personality of the association and it was already adopted during the ASEAN Summit 2007 (ASEAN 2007h).

The development of the ASEAN Way as discussed above had been exercised during the Cold War period. In this period, the ASEAN member countries committed themselves with the nation building as the priority. The practice of consultation and consensus proved to be an instrument enabling them to pursue their goal at national level and reach any agreement at regional level without undermining one another. The nation building, according to Collins (2003), remains the priority for the ASEAN member countries today. Therefore, the ASEAN Way as well as the contentions over its practices would be expectable. Its development in the post-Cold War would be discussed in the next two chapters.