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# THE 3RD ASEAN READER

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# THE 3RD ASEAN READER

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Compiled by  
**Ooi Kee Beng, Sanchita Basu Das,  
Terence Chong, Malcolm Cook,  
Cassey Lee and Michael Yeo**

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## PREFACE

This Third Volume of the ASEAN Reader series is published this year when the first phase of community-building in ASEAN is ending, and its next phase is being charted by the Association's political leaders. The forewords to the first volume by ASEAN Founding Fathers Thanat Khoman of Thailand and S. Rajaratnam of Singapore (published in 1992), and to the second volume by ISEAS Chairman, Professor Wang Gungwu (published in 2003), are included to refresh us on the origins of ASEAN and the continuing challenges the 48-year-old Association has been facing, and will continue to face into the future.

There are more than 80 articles in this Volume III by scholars and experts from Southeast Asia and beyond. They address issues from different perspectives, from the long-term view and country analysis, to comparative issues and specific challenges in ASEAN, Southeast Asia and the Asia-Pacific, to relations of major powers and their impacts on ASEAN and its members. The next phase of community-building in ASEAN beyond 2015 will be more challenging as the Association and the region face new and unprecedented challenges from within and from without. These include intensified US-China engagement, complex China-Japan relations, a more confident India, rising nationalism, widening income gaps within ASEAN countries, global economic

uncertainties, and threats to human security in the region from international terrorism and contagious diseases. To ensure peace, security and prosperity, individual ASEAN countries and the region will have to work closely together in the next phase of ASEAN community-building. In the coming years, ASEAN may even see a new member, Timor-Leste.

Readers interested in the ASEAN Community and in ASEAN's external engagements will find Volume III interesting. So also those keen to understand issues influencing the direction of regionalism in Southeast Asia and to see where the ASEAN Community is heading. Many of the articles in this third volume have been published previously, either by ISEAS or other publishers. We thank all the publishers for their permission to use the selected works.

This volume would not have been possible without the efforts of the editorial team headed by Dr Ooi Kee Beng, Deputy Director of ISEAS, and including co-editors Dr Terence Chong, Dr Cassey Lee, Dr Malcolm Cook, and Ms Sanchita Basu Das. Mr Michael Yeo, as editorial assistant, provided sterling support for the team.

*Tan Chin Tiong*  
*Director*  
*Institute of Southeast Asian Studies*

# FOREWORD TO *THE ASEAN READER*

## ASEAN: Conception and Evolution

THANAT KHOMAN

On 8 August 1967 the “Bangkok Declaration” gave birth to ASEAN, the Association of Southeast Asian Nations, an organization that would unite five countries in a joint effort to promote economic co-operation and the welfare of their peoples.

After repeated unsuccessful attempts in the past, this event was a unique achievement, ending the separation and aloofness of the countries of this region that had resulted from colonial times when they were forced by the colonial masters to live in *cloisons etanches*, shunning contact with the neighbouring countries.

In effect this historical event represented the culmination of the decolonization process that had started after World War II. Following their victory in the war, the colonial powers tried their best to maintain the status quo. However, since they had not even been able to ensure the protection of their territories against the Japanese invasion, how could they justify their claim to control them again. In their defeat, the Japanese had effectively undermined colonial rule

by granting some form of autonomy or even independence to the territories they had earlier invaded, thus sowing the seeds of freedom from the colonial masters. The process of decolonization, inside and outside the United Nations, then advanced at a fast pace and led to the emergence of a number of independent and sovereign nations.

This created an entirely novel situation which necessitated new measures and structures. Thailand, as the only nation which had been spared the plight of colonial subjection thanks to the wisdom and political skill of its Monarchs, felt it a duty to deal with the new contingencies. Pridi Panomyong, a former Prime Minister and statesman, tried to promote new relationships and co-operation within the region. I, myself, posted as the first Thai diplomat in the newly independent India, wrote a few articles advocating some form of regional co-operation in Southeast Asia. But the time was not yet propitious. The world was then divided by the Cold War into two rival camps vying for domination over the other, leading the newly emerging states to adopt a non-aligned stance.

When, as Foreign Minister, I was entrusted with the responsibility of Thailand's foreign relations, I paid visits to neighbouring countries to forge co-operative relationships in Southeast Asia. The results were, however, depressingly negative. Only an embryonic organization, ASA or the Association of Southeast Asia, grouping Malaysia, the Philippines, and Thailand could be set up. This took place in 1961. It was, nevertheless, the first organization for regional co-operation in Southeast Asia.

But why did this region need an organization for co-operation?

The reasons were numerous. The most important of them was the fact that, with the withdrawal of the colonial powers, there would have been a power vacuum which could have attracted outsiders to step in for political gains. As the colonial masters had discouraged any form of intra-regional contact, the idea of neighbours working together in a joint effort was thus to be encouraged.

Secondly, as many of us knew from experience, especially with the Southeast Asia Treaty Organization or SEATO, co-operation among disparate members located in distant lands could be ineffective. We had therefore to strive to build co-operation among those who lived close to one another and shared common interests.

Thirdly, the need to join forces became imperative for the Southeast Asian countries in order to be heard and to be effective. This was the truth that we sadly had to learn. The motivation for our efforts to band together was thus to strengthen our position and protect ourselves against Big Power rivalry.

Finally, it is common knowledge that co-operation and ultimately integration serve the interests of all — something that individual efforts can never achieve.

However, co-operation is easier said than done.

Soon after its establishment in 1961, ASA or the Association of Southeast Asia, the

mini organization comprising only three members, ran into a snag. A territorial dispute, relating to a colonial legacy, erupted between the Philippines and Indonesia on the one hand and Malaysia on the other. The dispute centred on the fact that the British Administration, upon withdrawal from North Borneo (Sabah), had attributed jurisdiction of the territory to Malaysia. The *konfrontasi*, as the Indonesians called it, threatened to boil over into an international conflict as Malaysia asked its ally, Great Britain, to come to its support and British warships began to cruise along the coast of Sumatra. That unexpected turn of events caused the collapse of the fledgling ASA.

While ASA was paralysed by the dispute on Sabah, efforts continued to be made in Bangkok for the creation of another organization.

Thus in 1966 a larger grouping, with East Asian nations like Japan and South Korea as well as Malaysia, the Philippines, Australia, Taiwan, New Zealand, South Vietnam and Thailand, was established and known as ASPAC or the Asian and Pacific Council.

However, once again, calamity struck. ASPAC was afflicted by the vagaries of international politics. The admission of the People's Republic of China and the eviction of the Republic of China or Taiwan made it impossible for some of the Council's members to sit at the same conference table. ASPAC consequently folded up in 1975, marking another failure in regional co-operation.

With this new misfortune, Thailand, which had remained neutral in the Sabah dispute, turned its attention to the problem brewing to its south and took on a conciliatory role in the dispute. At the time, I had to ply between Jakarta, Manila, and Kuala Lumpur. After many attempts, our efforts paid off. Preferring Bangkok to Tokyo, the antagonists came to our capital city to effect their reconciliation.

At the banquet marking the reconciliation between the three disputants, I broached

the idea of forming another organization for regional co-operation with Adam Malik, then Deputy Prime Minister and Foreign Minister of Indonesia, the largest country of Southeast Asia. Malik agreed without hesitation but asked for time to talk with the powerful military circle of his government and also to normalize relations with Malaysia now that the confrontation was over. Meanwhile, the Thai Foreign Office prepared a draft charter of the new institution. Within a few months, everything was ready. I therefore invited the two former ASA members, Malaysia and the Philippines, and Indonesia, a key member, to a meeting in Bangkok. In addition, Singapore sent S. Rajaratnam, then Foreign Minister, to see me about joining the new set-up. Although the new organization was planned to comprise only the former ASA members plus Indonesia, Singapore's request was favourably considered.

The first formal meeting of representatives from the five countries — Indonesia, Malaysia, the Philippines, Singapore, and Thailand — was held in the Thai Ministry of Foreign Affairs. The group then retired to the seaside resort of Bangsaen (Pattaya did not exist at that time) where, combining work with leisure — golf to be more exact — the ASEAN charter was worked out. After a couple of days, using the Foreign Office draft as the basis, the Charter was ready. The participants returned to Bangkok for final approval of the draft, and on 8 August 1967, the Bangkok Declaration gave birth to ASEAN — the Association of Southeast Asian Nations. (ASEAN owes its name to Adam Malik, master in coining acronyms.)

The formation of ASEAN, the first successful attempt at forging regional co-operation, was actually inspired and guided by past events in many areas of the world including Southeast Asia itself. The fact that the Western powers, France and Britain, reneged on their pacts with Poland and Czechoslovakia promising protection against external aggression, was instrumental in

drawing the attention of many countries to the credibility of assurances advanced by larger powers to smaller partners. The lesson drawn from such events encouraged weak nations to rely more on neighbourly mutual support than on stronger states that serve their own national interests rather than those of smaller partners. For Thailand, in particular, its disappointing experience with SEATO taught it the lesson that it was useless and even dangerous to hitch its destiny to distant powers who may cut loose at any moment their ties and obligations with lesser and distant allies.

Another principle to which we anchored our faith was that our co-operation should deal with non-military matters. Attempts were made by some to launch us on the path of forming a military alliance. We resisted; wisely and correctly we stuck to our resolve to exclude military entanglement and remain safely on economic ground.

It should be put on record that, for many of us and for me in particular, our model has been and still is, the European Community, not because I was trained there, but because it is the most suitable form for us living in this part of the world — in spite of our parallel economies which are quite different from the European ones.

However, although we had clearly defined our aims and aspirations, international realities forced ASEAN to deviate from its original path. Several developments began to preoccupy ASEAN: the defeat and withdrawal of the United States from Vietnam and even from the mainland of Asia; the growing Vietnamese ambitions nurtured by the heady wine of victory; and the threat of Ho Chi Minh's testament enjoining generations of Vietnamese to take over the rest of French Indochina in addition to the northeastern provinces of Thailand. Such developments forced ASEAN to turn its attention to more critical issues, like Cambodia, with the result that economic matters were almost entirely neglected and set aside.

Although not the original plan or intention of the founders of ASEAN, the effective and successful opposition to the implementation of Vietnam's Grand Design, using only diplomatic and political means, won a great deal of plaudits and international credit, lifting it from an insignificant grouping of small countries to a much courted organization with which more important states now seek to have contact and dialogue. This has not been a negligible result. Indeed, ASEAN has greatly benefited from its deviated performance. ASEAN has now become a well established international fixture.

While applauding the successes of the Association, it is not my intention to pass over its weaknesses and shortcomings.

In the first place, the partnership spirit is not fully developed. Some parties seek to take more than to give even if in choosing the latter course, they may be able to take much more later on. Indeed, some of them do not hesitate to reduce their allotted share in projects, which, in their opinion, would not immediately bring the highest return, and thus they leave the burden to other members. In fact, it is common practice at many meetings, to jockey for selfish gains and advantages, not bearing in mind the general interest.

Nevertheless, the most serious shortcoming of the present system resides in the lack of political will as well as the lack of trust and sincerity towards one another. Yet each and everyone in their heart realizes that the advantages of ASEAN accrue to them all, and no one is thinking of leaving it.

Be that as it may, there is no readiness to admit to these shortcomings. That is why they put the blame for these deficiencies on the Secretariat which was set up by the governments themselves. Indeed, they distrust their subordinate officials to the point that they have not been willing, until recently, to appoint a Secretary-General of ASEAN, but only a Secretary-General in charge of the Secretariat.

Whatever problems exist at present, it is not my intention to dwell on them. They should, however, be resolved as expeditiously and effectively as possible. Personally, I prefer to look ahead and chart out a course that will lead to the objectives originally set out, so as to meet the expectations of our peoples.

The question we should ask is: ASEAN, *quo vadis?* Where do we go from here?

To this, I would reply that, first of all, we must set ourselves on the economic track we designed for the Association. This is necessary, even imperative, now more than ever as the world is being carved into powerful trade zones that deal with one another instead of with individual nations. At present, many countries outside our region are prodding us to integrate so that a single or more unified market will simplify and facilitate trade. That stands to reason and yet it was only in 1992 when all partners were convinced of the veracity of the proposition, when the then Thai Prime Minister, Anand Panyarachun, officially put the idea of an ASEAN Free Trade Area for discussion at the ASEAN Summit at Singapore. This meaningful move was logical since ASEAN was born in Thailand. However, it may take some fifteen years — as requested by some members — before a rudimentary single, integrated market comes into being.

For the months and years to come, gradual economic integration should be the credo for ASEAN if we want our enterprise to remain viable and continue to progress. Otherwise, it may become stagnant, unable to keep up with the pace of global activity. In spite of the Maastricht setback where the Danes voted against ratifying the Treaty on European Union, the European Community will most probably witness sustained expansion with the addition of former EFTA members as well as a number of Central and East European countries waiting to join. Meanwhile, NAFTA — the North American Free Trade Area — is coming into being, parallel to another one further south of the American continent. Likewise, on the southeast wing of Europe, Turkey is busy organizing some form of

co-operation with the Islamic states of the Black Sea region of the defunct Soviet Union. All these activities should be sufficient indication that there is an urgent need for ASEAN to scrutinize itself, to update its role, and to implement wider and more serious organizational reforms — measures that are more meaningful than simply revamping the Secretariat.

On the non-technical side, political will and the spirit of partnership greatly need to be strengthened. In the future, competition will be severe. Political and economic pressure through the use of unilateral measures and threats will be resorted to without mercy by those who believe in brute force rather than civilized negotiations, a method which I call “crowbar” diplomacy proudly proposed by the “Amazon Warrior” before the legislative authorities of her country. Without appropriate adjustments and improvements, ASEAN may lose in the race for survival. And time is of the essence. ASEAN, in my opinion, does not have much leeway to idle or doodle. We should realize that two or three years are all we really have to implement urgent reforms.

While the pursuit of economic aims, as originally assigned, is essential, it does not mean the Association should abandon the considerable political gains it has made. On the contrary, ASEAN should continue to build upon the prestige and recognition that the outside world has accorded it. The results of ASEAN’s past performance especially in the resistance against Vietnamese military conquests and territorial expansionism, as well as the unqualified success in preserving peace and stability against all odds, are evident. Without doubt, ASEAN must strive to consolidate these assets which will complement its efforts on the economic side. In other words, the arduous task ahead for the Association will be a double- or triple-track endeavour which can be crowned with success provided that the weaknesses mentioned earlier are remedied and all the members, for their own good and that of

their people, decide to carry out their duties and obligations with determination and a sense of purpose.

On the other hand, we should foresee that, in time to come, not only will ASEAN have to face the difficult task of creating and maintaining harmony among its members who have different views, different interests, and are of different stages of development — factors that in the past have made the adoption of needed reforms so uneasy — but ASEAN will also have to cope with the extremely complicated problems of dealing with hard-nosed opponents and interlocutors among the developed countries.

Finally, as with all organizations and entities, ASEAN will have to realize that it will not be nor can it be the ultimate creation. In truth, it should be only a stepping stone, a preliminary or intermediate stage in the process of international development. As the world progresses, so will ASEAN. At this juncture, everyone within the Association is aware of this reality. It should be prepared to move on to the next stage and raise its sights towards wider horizons. Some nascent possibilities like PECC (the Pacific Economic Co-operation Council) and APEC (the Asia Pacific Economic Co-operation forum) are already in existence and more or less ready to bloom into something more stable and viable. So far, ASEAN members have not been willing to merge with the new entities, for various reasons, the most important of which may be a lack of conviction in the latter’s viability. Perhaps correctly, ASEAN members prefer to wait for more convincing indications assuring them of their capacity to survive. They continue to insist that ASEAN remains the nucleus from which peripheral relationships might radiate. This is not an unwise approach, apparently dictated by realism and caution in view of the audacity and increasing arrogance of certain major powers. A precipitous decision may result in undesirable entanglement or worse strangulation. Nevertheless, it may be wise for ASEAN not to lose sight of two

important countries further to the south of Asia — Australia and New Zealand. If and when, they should express a clear willingness and desire to play a genuine partnership role, they should be welcome to join in any common endeavour. Their contribution will undoubtedly increase the strength and capacity of our existing and future co-operative undertakings, thus enabling us to meet with every chance of success in future encounters and negotiations with similar entities of other continents.

Lately, ASEAN has taken up a new assignment by engaging in discussions on security matters, more precisely on the Spratly Islands which are claimed by a number of nations, including Vietnam and the People's Republic of China. The dispute threatened to erupt into an armed conflict after concessions for oil exploration were granted by the People's Republic of China to some American oil companies. If one or more contestants resort to violence the dispute may degenerate into an ugly conflict thereby disrupting the peace and stability of the region. For that reason, Indonesia has already been moved to organize "workshop" discussions to explore the possibility of an acceptable solution.

In the light of the Spratly problem, the ASEAN members prepared a draft "Code of International Behaviour" which rules out any resort to violence. This draft was tabled at the Manila Ministerial Meeting in 1992 which approved it, as did the PRC and Vietnam, a dialogue partner and a signatory of the ASEAN Treaty on Amity and Co-operation respectively. This was what ASEAN could do, although it was only a moral gesture. Obviously, it could not obtain from the main

parties to the dispute, a categorical pledge not to resort to violence. It may not be much. It was nevertheless better than nothing and certainly better than to bury one's head in the sand. It is hoped that in this, as in any other case, wisdom and restraint will prevail.

What will ultimately be the fate of ASEAN? To this question, I am ready to offer a candid reply, forgetting my role as a co-founder of the Association. My faith in the usefulness and "serviceability" of ASEAN cannot and will not diminish. If anything, members will find it beneficial to strengthen it. This is the rationale. In the post Cold War world, the Western countries find it fit to assert with little restraint or moderation their ascendancy and dominance, and some even seek to establish their hegemony over the entire world by claiming undisputed leadership in a so-called New World Order framework because of the absence of Soviet challenge and rivalry. The ultimate result would be that other nations will, *ipso facto*, become nothing but mere pawns of different size. The smaller ones will shrink still further and become even smaller and less significant. In fact, they will count less on the world scene than before the advent of the New World Order. Therefore, if they do not combine their minuscule strength, they will lose all meaning. Now the only place where they can do something with a measure of success is none other than the ASEAN forum. Therefore, for our own interests, we cannot afford to be oblivious of this plain truth and fail to act accordingly.

Bangkok  
1 September 1992

# FOREWORD TO *THE ASEAN READER*

## ASEAN: The Way Ahead

**S. RAJARATNAM**

If the last decade of the 20th century, to whose final death throes we are now the unhappy witnesses, can be termed the Age of Nationalism, then the 21st century, whose pale dawn is visible over the horizon, can be aptly described as the Coming Age of Regionalism. This Foreword focuses on regionalism rather than on ASEAN because the latter is no more than a local manifestation of a global political, economic and cultural development which will shape the history of the next century.

Should regionalism collapse, then ASEAN too will go the way of earlier regional attempts like SEATO, ASA and MAPHILINDO. All that remains today of these earlier experiments are their bleached bones. Should the new regional efforts collapse, then globalism, the final stage of historical development, will also fall apart. Then we will inevitably enter another Dark Ages and World War III, fought this time not with gun-powder, but with nuclear weapons far more devastating than those exploded in Hiroshima and Nagasaki.

Modern technology and science are pushing the world simultaneously in the direction of regionalism and globalism. What is responsible for today's economic disintegration, disorder and violence is the resistance offered by nationalism to the irresistible counter-pressures of regionalism and globalism.

As of today, there are only two functioning and highly respected regional organizations in the world. They are, in order of their importance and seniority, the European Community (EC) and the Association of Southeast Asian Nations (ASEAN). The first came into being in 1957 and the second in 1967. A mere ten years separates the two. The population of the European Community as at 1990 was 350 million, and that of ASEAN an estimated 323 million. In terms of population, they are not all that unequal. In terms of political and economic dynamism, though, the gap is qualitatively wider. The economic dynamism and the proven political cohesion of ASEAN is nevertheless slowly

but steadily narrowing the gap between the European Community and ASEAN. To compare ASEAN with the so-called Little Dragons of Asia is to compare unrelated political species. The Little Dragons are lone wolves hunting separately. They lack collective strength or awareness. With them it is a case of each wolf for itself. In the case of ASEAN, as integration proceeds, its strength will be the cohesiveness of over 300 million people with far greater resources than any of the lone baby dragons.

The most remarkable feature about the two regional organizations is their continuity and coherence despite the persistence and often unmanageable turbulence and tensions that have and still characterize the post-war world. There have been some 100 international, civil, racial and religious conflicts. Far from abating, these are growing in number. By comparison the European Community and ASEAN are the still centres in the eye of the storm. There is apprehension that chaos, not order, is the draft of world politics and economies today. For many, the expectation is that tomorrow will be worse than yesterday and that history has been a descent from the Golden Age to the Dark Ages. To quote the poet Yeats, though the world is seemingly intact: "Things fall apart, the centre cannot hold."

Yet the two multi-racial and multi-cultural regional organizations I have mentioned continue to grow in maturity, cohesiveness, and confidence. They believe that regionalism can survive the buffeting winds and storms.

The European Community, unlike ASEAN, has had far more experience with regional organization because its founding members, in particular Britain, France, Holland, Belgium and even Germany participated in the creation and management of far-flung complex global empires. Their scientific and technological cultures were many light years ahead of all preceding cultures and civilizations. However eminent and admirable

pre-European traditional civilizations were, the 19th and 20th century culture created by the West cannot be surpassed or displaced by invoking ancient creeds. Only Japan has so far demonstrated that the gap between medieval and modern cultures can be narrowed and possibly over taken. Moreover, only Western nations and Japan have demonstrated a capacity for constructing massive modern empires, though unfortunately, they demonstrated this by their ability to organize and unleash modern wars. No Asian nation, however, has fought, let alone won, wars of comparable magnitude. Saddam Hussein's chest-thumping has the resonance of hollow drums.

Western Europeans have over a period of 500 years built a chain of multi-racial and multinational empires that at their peak stretched from Portugal and Spain to the Pacific shores of Russia, and parts of Asia and Africa. So reconstituting a West European regional community should be child's play for them.

But creating and managing, within a brief period of only 25 years, an ASEAN community of six economically and industrially underdeveloped peoples who had no experience of administering a modern, complex multi-racial regional organization verges, in my view, on the miraculous.

The reach of the ancient empires of Greece, Rome, China, India, Persia and Babylon, ruled by allegedly Divine emperors, was ludicrously short and their claims of being rulers of world empires were fanciful exaggerations. The effective extent of their empires did not go beyond the palace and surrounding villages.

Modern nationalism, regionalism and globalism are of a different order politically, economically and even psychologically. Nationalism is a 19th century concept. Earlier forms of nationalism were, in fact, imperialism. It united petty principalities, states and clans into nations. These have now outlived their usefulness.

But regionalism is based on concepts and aspirations of a higher order. Asian regionalism was first launched on 25 April 1955 at Bandung. It was initially a comprehensive Afro-Asian Conference presided over by Heads of Government. It included legendary figures like Sukarno, Nehru, Zhou Enlai, Kotalawela of what was then Ceylon, Sihanouk and Mohammed Ali, the Prime Minister of Pakistan. However, this regional effort did not last long. Asian and African nationalisms which helped speed up the collapse of Western, and later Japanese imperialisms, did not last long.

Within a few years after its founding, not only Afro-Asian solidarity but also the solidarity of individual Asian and African nation states was in disarray. The destruction of nationalism is today being brought about, not by Western imperialism, which had already grown weary, thanks to two world wars, of holding sway over palm and pine, but by Third World nationalism. The economic and political underpinnings of European nationalisms were in fact, even before the start of the 20th century, beginning to crack. In fact, Lord Acton, towards the end of the 19th century, predicted the inevitable collapse of nationalism. I quote his judgement — “Nationality does not aim either at liberty or prosperity, both of which it sacrifices to the imperative necessity of making the nation the mould and measure of the state. It will be marked by material and moral ruin.” This prophecy is as accurate today as it was when Lord Acton made it in 1862. So was Karl Marx’s prophecy about the inevitable collapse of nationalism but for different reasons. He predicted the overthrow of nationalism and capitalism by an international proletariat. So did Lenin and so did Mao with their clarion call of: “Workers of the World unite.”

Internationalism has a long history. Chinese, Christians, Greeks, Romans and Muslims were never tired of announcing themselves as “World Rulers”. However, after World War II, empires went out of fashion. It

is today being gradually replaced by a more rational form of political and economic organization.

The early years of the 20th century witnessed, for example, experiments with a novel form of regionalism — continental regionalism. It was formed by simply prefixing the word “Pan” to the continents of Europe, Asia and America — Pan-Europa, Pan-America and Pan-Asia, of which Japan, after having in 1905 defeated the Russian fleet in one of the most decisive naval battles ever fought in the Tsushima Straits, became Asia’s most persistent publicist. After World War II, Pan-African and Pan-Arab movements were added to the list. However, these early “Pan” movements have since then either collapsed totally or are in the process of violent disintegration because of dissension on grounds of race, religion, language or nation.

However, the word “Pan” has recently been revived in East Europe. It is called “Pan-Slavism” and is today being revived with bloody vengeance. The multi-racial and multi-cultural Yugoslav nation that President Tito created during World War II and which is today being torn apart is a grim warning of what can happen to nations possessed by racial and religious demons.

The new regionalism that is now emerging out of the ruins of post-World War II nationalism appears to have learnt from the errors of the past. A more sophisticated and realistic form of regionalism is being constructed, not as an end in itself but as the means towards a higher level of political, social and economic organization.

I propose to do no more than list the names of some of the new regionalisms now taking shape. Basic to this approach is that there is not going to be any sudden great leap forward from regionalism to globalism. However, none of the new regionalisms now taking shape are as bold as either the European Community or ASEAN. The latter two are more rationally focussed regionalism.

But a word of caution is necessary. We must know how to handle these new regionalisms intelligently. They could be steps towards global peace, progress and cultural development or they could be fuel for World War III.

Foremost among the new regional approaches is the North American Free Trade Area (NAFTA) and the Asia-Pacific Economic Co-operation forum. Among the many other regional concepts waiting in the wings are: the Organisation of Economic Co-operation and Development (OECD); the Group of Seven (G7); East Asian Economic Caucus (EAEC); Pacific Economic Co-operation Conference (PECC); the amiable Little Dragons of South Korea, Singapore, Hong Kong and Taiwan for which no acronym has yet been announced. There are also the distant rumbles of the possible emergence of Big Dragons but as a Chinese saying goes: "There is a lot of noise in the stairways, but nobody has so far entered the room." One fervently hopes that when a Big Dragon turns up, it would be an amiable Great Dragon and one which would know its way around the Spratly and Paracel Islands but without being a Dragon in a China shop. World War II started, it must be remembered, simply because the German and Japanese Dragons got their maps all wrong.

Real regionalism requires a world-view if it is not to lose its way in the global world of modern technology and science. It must also have a rational and deep understanding of the new history which is being shaped not by heroic individuals, but through the co-operative interaction of some 5 billion people who today live in a vastly shrunken planet and who, thanks to growing literacy and fast-as-light electronic communication, are better informed about the world we live in than earlier generations.

Nobody, not even super-computers can predict what will happen when each day the flow of history is cumulatively determined by individual decisions made by 5 billion

human beings who are asserting their right to a decent and just society. Fewer and fewer people today believe that oppression, hunger and injustice is God's will to which they must meekly submit. People today know the difference between "Let us pray" and "Let us prey".

The end of the Cold War and the collapse of communism has, in no way, made for a more peaceful world. Wars have ended in the Western world but not so elsewhere. World War III, should it ever be unleashed, would be the last war mankind will ever fight.

As a student of history, I believe that it is not common ideals but common fears that generally hold groups and nations together. The moment the common fear disappears, the brotherhood becomes an arena for dissension, conflict and even bloodshed. Two world wars and what is going on in Africa, Asia and Central Europe provide ample proof that we live in dangerous times today.

However, I believe there is evidence suggesting that ASEAN is an exception to the rule. ASEAN was born on 8 August 1967 out of fear rather than idealistic convictions about regionalism. As one of the two still surviving founder members of ASEAN (the other being Dr Thanat Khoman) I can attest to the triumph of fear over ideals.

The anticipated military withdrawal of the Americans from Vietnam in the eighties raised the spectre of falling non-communist dominoes in Southeast Asia. It appeared then that both the East and West winds of communism had joined forces to sweep over Southeast Asia.

Fortunately, Adam Smith's Invisible Hand came to ASEAN's rescue. The Sino-Soviet split started. The East and West communist winds were suddenly blowing in contrary directions.

The second outburst of ASEAN fear was in December-January 1980 when Vietnam with the backing of the Soviet Union proclaimed the liberation of not only its Indochina

Empire but also of the whole of Southeast Asia.

Fortunately for the first time in the history of an Asian regionalism, ASEAN, instead of trembling with fear, dug its toes in and decided to stand up against a Vietnam that had never ceased to boast that it had defeated two great Western powers in Vietnam — first the French and then the Americans.

So in the case of Vietnam, it was not belief in regionalism but resolution, born out of common fear, that eventually brought about the collapse of communist Vietnam.

Today a new fear haunts ASEAN and which, I believe, now makes inevitable the emergence of ASEAN regional solidarity, and, no less important, the actualization of the ASEAN Free Trade Area or AFTA. I also believe this solidarity will manifest itself politically and militarily so long as a common fear persists.

*Singapore  
1 September 1992*

# FOREWORD TO *THE SECOND ASEAN READER*

## New Challenges for ASEAN

WANG GUNGWU

No one in the 1950s expected that anti-colonialism in Southeast Asia would give way to anti-communism and that this would be followed less than 40 years later by the triumph of capitalism. That last triumph did not mean that there would be greater certainty in the region. ASEAN has had to adjust to a world dominated by a single superpower. Since September 11, 2001, this dominance is starker still and all countries face a newly aroused United States of America. ASEAN will have to see if it now has more choice to pick its own script or will be told what new role it has to play. There are signs, however, that a series of changes may have stirred ASEAN to new life.

After 35 years, this is a more mature ASEAN, whose member states have survived experiments with different regional organizations and have had their wits sharpened considerably by that experience. They now know better how small and medium-sized states can survive and how they must generate innovative thinking if they want to prosper. Since the financial crisis

of 1997, they have been given additional lessons about the effects of globalization and become sensitive to the pressures from non-state actors and other transnational groups. The essays selected in this volume tell us how ASEAN has adapted to the radical and unpredictable changes that have dogged the organization since its foundation and how it might deal with uncertainties in the future.

The victory of liberal capitalism in a globalized market economy requires that all Southeast Asian states be alert to America's policies in the region if they want to maximize the benefits to themselves. It is, of course, not enough to do that. They must continue to look to the economic might of Japan whose commitments in Southeast Asia from before the foundation of ASEAN have been of major importance to the region's development. It is obviously in ASEAN's interest to ensure that Japan remains committed. In addition, a nuclear South Asia and the awakening of India's high-tech entrepreneurship has great potential for the region's security as well as the future growth of the ASEAN economies.

Nevertheless, given America's fresh interest in Asia, China's role requires close attention. Now that America does not need to balance the ambitions of the Soviet Union, its relations with the People's Republic of China have become vital. Increasingly, that relationship will impact directly on ASEAN. Should that become volatile, it could place in considerable strain the historical differences among ASEAN members in their attitudes towards the PRC.

The newest challenges have come from the war in Iraq. September 11 had galvanized the American people to a war in Afghanistan that provoked different reactions among ASEAN members. The states that faced terrorism threats of their own were quick to show sympathy, while states where the majority of the population is Muslim have been careful how much they should say or do. The war in Iraq has intensified the region's concerns. It was not surprising that the United States won the war quickly. But the uncertainties afterwards are less predictable. How they will play out for each ASEAN member state will depend on two factors that provide special challenges for ASEAN. I refer to the sensitivities of countries with large Muslim populations, and the growing China factor in the larger East Asian region. China, of course, has always been there to the region's north and Islam had penetrated deeply into parts of the Malay world for 700 years. Both are known variables, but the challenges are now more sharply focused.

In Southeast Asia, what its Muslim extremists may do is unlikely to lead to anything like massive American interventions as in the Vietnam War. U.S. national interests are too peripheral to the region for ASEAN members to be so threatened. At most, this may allow the American government to pressure the national elites of each country to crack down on groups that support the enemies of the United States. For the ASEAN members who have benefited from American aid for decades, this is nothing new. But

for them to single out their own Muslim nationals in any discriminatory way would be unacceptable.

China provides yet another dimension in ASEAN's relations with the outside world. Its Confucianism, Daoism and Buddhism do not match Islam in its capacity to advance universalist claims. Chinese values have been essentially agrarian and constrained by its deep-rooted bureaucracy. But the fact is, China's physical and population size backed by an ancient lineage, with strong ideals of unity and cultural superiority, has enabled it to resist the claims of alien universalist faiths. Thus, although the Chinese cannot mount a serious challenge to modern values by appealing to their own past, they have the critical mass to absorb and digest whatever they wish to take from other cultures.

What is more relevant, China is close to home. It is the land neighbour of three of its members, and within easy reach to two others on the mainland. Although peaceful trading has been the norm and relations had been mainly personal and feudal, China has been able, for at least the last 600 years, to exert pressure across the land borders from the provinces of Guangxi and Yunnan. Will future relations always be based on principles of sovereignty and state equality? Will the new China genuinely encourage multilateral relations through ASEAN regionalism? China has sought to transform residual suspicions in the region by engaging ASEAN as an economic entity. It might even use ASEAN to help overcome the present barriers to a larger East Asian regionalism.

At another level, China is a fast growing economy that competes with Southeast Asia for foreign investment and markets. This could become a severe test of regional co-operation in the decades to come, but it may well be the challenge that the region needs to raise ASEAN to a higher level of co-operation. Furthermore, most of the descendants of Chinese immigrants who have settled in Southeast Asia still retain links with "Greater

China” (the PRC, Taiwan, Hong Kong and Macao). Their entrepreneurial skills and family and language networks could serve both their adopted countries and whichever parts of China they choose to work with. It is expected that these local citizens of Chinese descent would provide some of the bridges that ASEAN and “Greater China” might want to have in the future. But if closer relations fail to ameliorate the economic discrepancies that arise, what economic levers will the government in Beijing use? Given that this is still unknown, Southeast Asian leaders may try harder to strengthen their intra-region collaboration and also ensure that their economic links be further extended to the Asia-Pacific, South Asia and other major economic groupings.

Southeast Asia does not have strong cards to play with. If ASEAN is perceived as ineffectual and possibly vulnerable to both Muslim extremists and PRC blandishments, interested powers like the United States

are likely to go back to bilateral links to support their own vital interests. China and a de-stabilized Muslim world impinge on different sectors of Southeast Asian society and politics. The region’s dilemma is that, if it chooses to depend on the United States as the superpower, it risks internal divisions between those who prefer Asian compromises and those who want U.S. guarantees. ASEAN members recognize that they live in a world where the United States seeks absolute security for itself. If that remains so in the foreseeable future, the choices for Southeast Asia, with or without its ASEAN structure, are limited. The only alternative is to join other interested groups to persuade the superpower not to depend on military might or adjust to the sole superpower’s priorities.

*Singapore*  
*27 August 2003*