

Chapter 1

Introduction

Haze, by definition, is a term normally denoting a naturally occurring climatic condition in which visibility is affected; for instance, the phrase “heat haze”. In Southeast Asia the term is rather euphemistically used to refer to the smoke emitted from land and forest fires, both natural and man-made, that visibly persists in the atmosphere. Haze is described as transboundary when the smoke travels across political boundaries and remains in the airspace of neighbouring countries.

The first reported incidence of transboundary haze in Southeast Asia was in 1982. Almost forty years later, the region continues to suffer from almost annual haze episodes, the most severe being during the years 1994, 1997–98 (which remains the region’s worst haze episode in history), 2005, 2013, 2015, and most recently in 2019. Indeed, the situation seems to be getting worse: while previous severe episodes were largely confined to the southern Southeast Asian subregion, recent years have seen serious incidences in the northern (Mekong) subregion as well.

What can explain the persistence of transboundary haze in Southeast Asia? Why has the region not been able to act to effectively mitigate the issue in light of its well-known negative health, environmental and economic effects (see “Here’s How Much the Haze Costs Us”, p. 58 of this collection)? This collection argues that transboundary haze is not only a physical problem linked to fire but also a political one with complex socio-economic and diplomatic considerations.

Regional Responses: ASEAN and Haze Cooperation

The fires that cause haze in the southern Southeast Asian region are mainly located in Indonesia and to a lesser extent Malaysia. Fires in the Mekong subregion occur mainly at the Golden Triangle border areas of Thailand, Laos and Myanmar. To date, transboundary haze has, at one time or another and in varying levels of severity, affected all ten member states of the Association of Southeast Asian Nations (ASEAN).

With causes and effects squarely rooted within the region, the haze is a uniquely ASEAN problem. The association first acknowledged that haze was a regional concern in 1985, and this was soon followed by many agreements for regional cooperation to mitigate the issue, as summarized in the timeline below:

1985 The Agreement on the Conservation of Nature and Natural Resources specifically referred to air pollution and “transboundary environmental effects”.

1992 The Singapore Resolution on Environment and Development identified transboundary air pollution as a major environmental concern.

ASEAN Environmental Ministers agreed to streamline policy directions and establish technical and operational cooperation over haze.

The First Workshop on Transboundary Pollution and Haze in ASEAN Countries was held in Balikpapan, Indonesia.

1994 The First Informal ASEAN Ministerial Meeting on the Environment was held in Kuching, Malaysia.

Ministers agreed to enhance cooperation to manage natural resources and control transboundary pollution within ASEAN, to develop an early warning and response system, and to improve the capacity of member countries in these areas.

1995 The ASEAN Cooperation Plan on Transboundary Pollution described concrete measures to prevent and respond to fires.

The Haze Technical Task Force (HTTF) was established to implement the national and regional mechanisms detailed in the Cooperation Plan.

Discussions began for a regional fire-danger rating system, a common air quality index, technology and knowledge exchange on fire prevention and mitigation, and a cooperative mechanism for combating fires.

1997 The ASEAN Ministerial Meeting on Haze was established.

The Regional Haze Action Plan (RHAP) was established under the HTTF, focusing on the development of national plans, strengthening the surveillance function of the ASEAN Specialised Meteorological Centre (ASMC) and the enhancement of firefighting capability.

The ASEAN Policy on Zero Burning was established, but controlled burning is allowed in “specific situations”.

- 1998 The ASEAN Summit in Vietnam issued the Hanoi Plan of Action that called for the full implementation of the RHAP by 2001.

Also established were two Subregional Fire Fighting Arrangements (SRFA) for Sumatera and Borneo to facilitate firefighting resources from one member country to another.

- 2000 The SRFA Legal Group was established to examine legislative and enforcement issues in the region.

- 2002 The ASEAN Peatland Management Initiative (APMI) was established to complement SRFA with a special focus on peatlands.

- 2003 The ASEAN Agreement on Transboundary Haze Pollution (AATHP) came into force in 2003 to provide legally binding support for the RHAP and called for the establishment of an ASEAN Coordinating Centre for Haze in Indonesia and an ASEAN Haze Fund.

The Working Group on Haze was elevated to the ministerial level, with Northern and Southern Ministerial Steering Committees (MSCs) supported by Technical Working Groups.

The Technical Working Groups developed the Comprehensive ASEAN Plan of Action on Transboundary Haze Pollution (POA) and a Panel of Experts (POE) to support the implementation of the POA.

- 2013 ASEAN Environment Ministers launched the ASEAN Sub-Regional Haze Monitoring System for government-to-government sharing of concession maps on an ad hoc basis to further operationalize the AATHP.

- 2014 Indonesia ratified the AATHP, bringing the number of ratifications to ten (all member states).

- 2016 The Roadmap on ASEAN Cooperation towards Transboundary Haze Pollution Control with Means of Implementation was launched with the vision of a transboundary haze-free ASEAN by 2020.

While these initiatives were useful in generating a massive amount of information on the haze, they were broadly unsuccessful in effectively implementing haze mitigation activities and preventing haze (“Together We Fall? Southeast Asia and Transboundary Haze”, p. 20).

Many scholars have pointed towards the ASEAN Way to explain the limitations of ASEAN in the face of the haze. The ASEAN Way is a set of norms that prescribe approaches to regional interactions, including the search for consensus, the principles of sensitivity and politeness, non-confrontational approaches to negotiations, behind-the-scenes discussions, an emphasis on informal and non-legalistic procedures, non-interference and flexibility (Kivimaki 2001).

While some consider the ASEAN Way a “doctrine” to be adhered to at all costs, others have argued that member states do not blindly follow the ASEAN Way but instead pick and choose which ASEAN Way principles to adhere to on a case-by-case basis depending on whether it is in their interests to do so (Nischalke 2000).

In this vein, I have argued that the early focus on national plans and the lack of legally binding documents ensured that states were largely free to pick and choose regional initiatives that best suited their narrow economic national interests (Varkkey 2018).

Because of these early failures, much hope was placed on the legally binding AATHP. While not generally in line with ASEAN Way norms, the public outcry on the back of the severe 1997–98 haze episode prompted member states to agree to a legally binding mechanism. The agreement was brought into force with six ratifications in 2003 under the “ASEAN minus X” formula, which was once again a deviation from the norm of consensus.

Despite these seemingly positive deviations from the norm, the AATHP remained, much like the agreements before it, a highly watered-down document that was:

vague and lacking in various hard law instruments such as strong dispute resolution and enforcement mechanisms. Important provisions, including those for developing preventive measures (both legislative and administrative) and a national emergency response, are left to member parties to interpret and apply. (Nguitraoool 2017)

I have argued elsewhere (Varkkey 2016a) that these weak outcomes are evidence of patronage politics at work, where member states make decisions to protect the interests of well-connected elites and not the well-being of the people of ASEAN. Patronage politics can be defined as:

a special case of dyadic (two-person) ties involving an instrumental friendship in which an individual of higher socioeconomic position (patron) uses his own influence and resources to provide protection or benefits, or both, for a person of lower status (client) who, for his

part, reciprocates by offering general support and assistance, including personal services, to the patron. (Scott 1972)

Plantation-based commercial agribusiness is a lucrative and well-connected sector in many ASEAN countries. At the same time, certain sector practices like establishing plantations on fire-prone peatlands and using fire to prepare land or clear agricultural waste have been identified as human drivers of fires and haze. Tellingly, the direct and indirect role of commercial plantations in these fires were not discussed during AATHP negotiations as it was deemed too “sensitive”. As a result, the AATHP has been described as a “blind and toothless paper tiger” (Florano 2003), which has continued to protect national economic interests, preserve state sovereignty and deflect responsibility for the haze. This elite-centred framework of regionalism has resulted in an ASEAN where (elite) economic growth takes precedence over social development and environmental protection (Nesadurai 2008; Varkkey and Copeland 2000).

Furthermore, Indonesia, which is in many ways the key member state in regional haze mitigation efforts (“Transboundary Haze”, p. 15), free of any meaningful pressure from other member states, delayed ratification of the AATHP until 2014. While this tenth ratification brought temporary optimism among member states, this was dampened with the resurgence of the haze in 2015 and 2019.

National Responses: Balancing National Interests

Haze-producing fires in the southern ASEAN subregion occur mainly on the Sumatra and Kalimantan islands of Indonesia, and this haze regularly travels across to Singapore and parts of Malaysia. Many of these fires are linked to commercial agribusiness activities, particularly oil palm and to a lesser extent pulp and paper plantations. These sectors are dominated not only by powerful local business elites but also by Malaysian and Singaporean firms well-positioned in their own home countries.

The often-fluid national interests, particularly the elite economic interests, of these three countries are an important consideration in understanding the limitations of ASEAN-level and bilateral cooperation, and also unilateral initiatives, towards effective haze mitigation.

Indonesia is the world’s largest producer of palm oil. The commodity has for decades been an important contributor to Indonesia’s GDP and the crop continues to be officially identified as a major poverty alleviation strategy for millions of rural Indonesians (“Palm Oil Futures: Youth Perceptions in Indonesia”, p. 42).

The strong causal link between haze and this nationally important sector, combined with the sector’s dense network of patron-client relationships, has provided a major disincentive for any meaningful ASEAN-level

engagement. Indonesia remained unwilling to ratify the agreement for more than a decade, as non-ratification was important in maintaining the availability of and access to plantation land in Indonesia, among other reasons (Varkkey 2016a). This extended to national-level action; multiple moratoriums on forest clearance as a means to address fires and haze were riddled with loopholes that advantaged commercial interests (“Indonesia’s Moratorium on Deforestation”, p. 37).

Indonesia ratified the AATHP just weeks before its current president, Joko Widodo, popularly known as Jokowi, took office in 2014. With a major haze event occurring shortly after his accession, haze quickly became a priority agenda for Jokowi. While he established several important forest and land use reforms to address haze (“In a Sorry State over the Haze”, p. 40), closer scrutiny of these reforms reveal limitations that smack of familiar patronage influences (“Three Things Jokowi Could Do Better to Stop Forest Fires and Haze in Indonesia”, p. 45).

Jokowi’s more globalist outlook, compared to his predecessor’s ASEANism, further limited meaningful ASEAN engagement over haze (Varkkey 2017), including the continued delay of the establishment of the ASEAN Coordinating Centre for Transboundary Haze Pollution Control.

Malaysia and Singapore danced an awkward tango with Indonesia every time haze crossed over to their shores. Tentative complaints were invariably met with swift rebukes of ungratefulness for the fresh air that Indonesia provided for eleven out of twelve months of the year, or stern reminders that Malaysian and Singaporean companies in Indonesia were also complicit in the fires. In response, the Malaysian and Singaporean governments often leapt to the defence of their firms. Such finger-pointing would continue throughout the haze episodes, hence problematizing any cooperative efforts, and eventually die off once the rains came and the skies cleared.

The tiny island nation of Singapore, faced with almost total economic and social paralysis every time the haze descends on its territory, eventually changed its tune upon the realization that the negative effects of haze on its most precious resource—its people (“Public Values and Sentiments Regarding Transboundary Haze Pollution in Singapore”, p. 70)—far outweighed the interests of its offshore agribusiness elites (Varkkey 2016b). Hence, Singaporean agribusiness interests in Indonesia were pushed to improve their land use practices.

Singapore also became more outspoken at the ASEAN level, calling for more meaningful engagement of the haze. When this was not well-received, Singapore resorted to enacting an unprecedented unilateral law that had extraterritorial powers to hold accountable any entity, Singaporean or otherwise, that caused haze in Singapore (“Singapore’s Transboundary Pollution Bill: Prospects and Challenges”, p. 49). This move sparked claims

of bad neighbourliness from Indonesia and has not yet been successfully applied in court because of Indonesia's non-cooperation in the provision of spatial data for prosecution.

Malaysia, in turn, has a much larger stake in the Indonesian palm oil sector because its firms (both government-linked and private) control more significant land holdings compared to those of Singapore. Malaysia is also the world's second-largest palm oil producer, with similar issues on the ground, including smaller-scale haze-producing fires at home.

This combination of national and elite interests has tempered Malaysia's engagement with Indonesia over haze. Over time, Malaysia perfected the fine balancing act of spearheading ASEAN haze-mitigation efforts without compromising its own interests and assigning responsibility for haze to Indonesia without being overly confrontational or demanding ("No Smoke without Fire: The Politics of Haze in Southeast Asia", p. 54).

Recent developments, albeit inconclusive, hint at a new approach. The short-lived Pakatan Harapan government kick-started a long-dormant proposal for a unilateral law similar to Singapore's, but with its remit limited to Malaysian firms operating in Indonesia ("Haze in the New Malaysia: The More Things Change, the More They Stay the Same?", p. 62). This proposal received mixed reactions (supported by civil society but not by business interests and some ministerial factions) but has suffered a premature demise with the surprise change of government and reshuffling of ministries in Malaysia in early 2020 ("Chronicles of the Elusive Malaysian Haze Act", p. 66).

Land Use, Fires and Climate Change

While the haze seems to be, on the surface, a pointedly Southeast Asian problem, it is one that has far-reaching global impacts, particularly in the all-important context of climate change. In the southern ASEAN subregion, fires in carbon-rich peatlands make up a small percentage of all forest fires but contribute up to eighty per cent of smoke haze (Applegate et al. 2002).

Indonesia is home to the largest deposits of tropical peatlands in the world, with Malaysia at second place. Peatlands are usually waterlogged all year round and thus not normally fire-prone. The demand for agricultural land, however, has encouraged the largely illegal drainage and opening up of peatlands. Organic matter, previously locked away below the waterline, quickly dries up and decomposes upon exposure to air, releasing massive amounts of carbon.

This dry material becomes a huge fire risk, and the situation deteriorates when fires are purposely lit for cheap and quick land clearing. Fires burn

through deeper carbon deposits, releasing even more carbon into the atmosphere. These fires produce smoke that is thicker, sootier and harder than regular forest fires and that can travel greater distances, thus making up the bulk of the region's haze ("The Fiery Peats of Haze in Southeast Asia", p. 11).

Public and private sustainability certification schemes that have been developed for the palm oil industry have included "best practice" peatland management requirements to help reduce the occurrence of fires on peatlands ("Peatlands and Palm Oil Certification: Whither an Exit Strategy?", p. 23). The broad scientific consensus, however, maintains that peatlands cannot be developed sustainably and should remain untouched to maintain precious environmental services (Evers et al. 2017).

These dire global impacts of the Southeast Asian fires have garnered the world's attention and scrutiny. While Malaysia, facing similar issues at home, has attempted to temper international opinion by pledging to keep fifty per cent of its land under forest cover ("Winds of Change in Malaysia: The Government and the Climate", p. 84), the much larger Indonesia has made no such pledges (Varkkey, Tyson and Choiruzzad 2018).

Haze in the Context of Global Palm Oil Politics

Palm oil is the world's most efficient, and thus cheapest, oil crop. That Indonesia and Malaysia are the world's leading producers with controlling shares of the global oils market has resulted in both countries developing an ideological (Varkkey and O'Reilly 2019) and nationalistic attachment to the crop ("Malaysian Palm Oil: National Pride and Prejudice through the Years", p. 90). But palm oil production has been associated with several environmentally unsustainable practices, including deforestation, habitat loss for endangered animals, reduced biodiversity due to mono-cropping and, of course, fires and haze. Key issues related to haze include fires and smoke hurting or killing enigmatic fauna like orangutans and tigers and driving them out of their peatland habitats, as well as concerns with tropical carbon loss speeding up climate change.

Increased consumer concern resulted in a growing anti-palm-oil movement, particularly in the global North. In response, producers have pointed towards existing certification schemes as proof that the sector is slowly but surely improving environmental and sustainability standards ("Peatlands and Palm Oil Certification: Whither an Exit Strategy?", p. 23).

Despite this, the anti-palm-oil movement eventually spilt over into governance spaces, beginning with European Union members of parliament pushing for a total ban of palm oil imports in 2017 ("Our Palm

Oil Conundrum”, p. 77). The diplomatic backlash from producer states resulted in a watered-down Renewable Energy Directive (RED II) that avoided singling out any vegetable oil but instead focused on limiting “high indirect land use change (ILUC)-risk biofuels”.

Producer states, however, continue to question whether the RED II is the result of a genuine concern for the environment or simply a thinly veiled non-tariff barrier with the more sinister intent of protecting Europe’s own, less efficient, oil crops (“The European Union’s Anti-Palm-Oil Measures Do Not Help the Environment”, p. 81). This issue remains unresolved and threatens to spill over into other aspects of trade and diplomatic relations between the European Union and producer countries in Southeast Asia (“Palm Oil Politics Still Threaten EU-Malaysia Ties”, p. 93).

Modern Problems Require Modern Solutions

In 2019, on the back of an overly confident proclamation by Jokowi that Indonesia was no longer an “exporter” of haze to the region, ASEAN states were once again shrouded by severe haze. This was the year the world was literally on fire: the ASEAN fires coincided with those in the South American Amazon, the Australian bush, sub-Saharan Africa and the Arctic circle. These simultaneous fires, and the widely reported carbon losses connected with them, underlined the important role that intact forests play in the global climate system.

It also brought into stark contrast the difference between the Southeast Asian fires and those occurring elsewhere. While fires are often a natural part of many ecosystems, fires are not generally a natural part of damp and humid tropical ecosystems. This underlines the inconvenient truth that fires in this region are a modern problem driven by the economics of unsustainable development.

In short, the physicality of fire is but a small part of the regional haze problem, and perhaps an even smaller part of its solution. The present political setting, both at the national level in the states most directly involved and at the regional ASEAN level, is insufficient and unsupportive of effective and lasting solutions to transboundary haze. The drivers of fires in the region are closely tied up with important economic sectors, rendering decision-making at all levels difficult as states struggle to balance interests of their public, the well-connected elites and the global environment.

ASEAN’s optimistic vision of a transboundary haze-free ASEAN by 2020 becomes even more ambitious in the face of new challenges like the global coronavirus pandemic (“Air Pollution and COVID-19 Mortality: Considerations for Southeast Asia”, p. 26 and “COVID-19, Southeast

Asian Haze and Socio-Environmental-Epidemiological Feedbacks”, p. 31), which has crippled governance capabilities around the region. On the cusp of this new post-COVID-19 era, the people of ASEAN can only hope for the political will needed to finally address the glaring governance gaps that stand in the way of a cleaner, more sustainable region.