

ASEAN Summit Roundtable 2016

POST-ASEAN SUMMIT ROUNDTABLE FORUM

'FORGING AHEAD TOGETHER'

13 January 2016

"ASEAN Post 2015: Together we build the future "

Dato' Steven CM Wong

Deputy Chief Executive

Institute of Strategic and International Studies (ISIS) Malaysia

Distinguished guests, ladies and gentlemen:

1. In the 25 years that I have observed, and, in a few small ways, participated in the ASEAN enterprise, I have gone through three phases – [1] unabashed idealist, [2] disgruntled critic and, now, [3] soft-nosed pragmatist. I may still not be absolutely spot-on about how I think about ASEAN but I have come to see it in a particular way that I would like to share this morning. If this perspective is in any way accurate, it should enable us to better tackle this theme of 'building the future'.
2. ASEAN has always subject to public expectations. Whenever a crisis erupts, perhaps a natural disaster, a border dispute or a boatload of asylum seekers, the tendency is to ask what ASEAN is doing about it. Sometimes there are responses and, at other, times there is none. Sometimes there are responses only after time has passed and criticism has set in. The fact that ASEAN's actions rarely meet expectations – and, admittedly, some expectations are pretty fantastical – is not surprising. Frequently, though there are no responses at all, just cold silence.
3. This gives rise to the inevitable accusations, criticisms and handwringing. ASEAN is then painted as being disunited, dysfunctional, and, of course, ineffective. Fingers are pointed at ASEAN norms such sovereignty and non-interference, as if these were exclusive and its own inventions. But then there are occasions when, unexpectedly, and seemingly going against the grain, it moves in a bold way. Or at least it makes the pronouncement that it wants to move in a bold way. The decision to create an ASEAN Community by 2015 is a case in point.
4. So what exactly is going on? What determines the impulses and impulses response function to borrow network terminology? If one takes a long-view of ASEAN, one that stretches over decades rather than mere years, it is quite clear that that the organization does evolve. It does so,

however, within the context of long steady states or equilibriums. In the initial stages, member states were not keen on their leaders meeting; then meeting only infrequently. Today, heads of governments mostly meet twice a year. For a long time, defense was not a subject that could be broached; today it is, albeit in non-traditional security terms.

5. The fact of the matter is that ASEAN is less of an organization than some people think and yet more of an organization than some people think. It is probably best to describe it as a *meta* organization and a *sui generis* one at that. This is not the right time or place to go into exactly what a *meta* organization is but the work of Gulati, Puranam and Tushman (of the Harvard and London Business Schools) in the June 2012 issue of the *Strategic Management Journal* helps inform with some pretty original and foundational thinking.¹
6. I see ASEAN as a network where its component parts are as important than the whole. Since there is no stable central leadership, decision-making is distributed throughout the system, much like Internet communities. Member states, which are the nodes of the network, can switch on or off depending on their interests and preferences, choose to be submissive participants or go offline altogether. The issues and voluntary nature of the combined actions ultimately determine how ASEAN reacts, whether actively or passively. It is only when there are 'on' votes by some, combined with passive behavior by others, that an ASEAN consensus coalesces.
7. This much is already well known. As a network organization, ASEAN is good at some issues at times and bad at other issues at times. The problem is that the majority of ASEAN observers are so used to thinking of ASEAN as an archetypical organization, and, indeed, ASEAN adamantly portrays itself, and ASEAN tries to behave as an archetypical organization, that three constituencies have emerged – (1) its critics, (2) its defenders and (3) the bemused (or confused). This has not been terribly helpful in assessing where 'it' is and where 'it' wants to go – as if the 'it' and the outcomes are fixed and immutable.
8. ASEAN's activity and passivity means that its risks embarrassment at times and not at others. This gives rise to the perennial debates between functionalists and idealists, neoliberals versus nationalists and, more lately, constructivists and realists. It also gives rise to numerous studies, committees and working groups to determine what and how things

¹ Gulati, R., Puranam, P. and Tushman, M. (2012), 'Meta-organization design: Rethinking design in interorganizational and community contexts', *Strategic Management Journal*, 33: 571–586.

should be done better. But ASEAN simply is what it is, and is not what it is not. If after 50 years, cows don't jump over the moon, it might be that cows are not supposed to jump over the moon and we can safely assume that they are not going to do so any time soon.

9. It seems quite clear to me – and feel free to disagree – that as ASEAN approaches its 50th anniversary, it will remain an organically attuned community – a *gemeinschaft* – with strong 'touchy feely' ways. Naturally, it will be forced by external pressures to continue to act as if it were something else, namely, a *gesellschaft* or body corporate. After all, ASEAN needs continually to refresh its relevance, reinventing its appearance and, over time, functionality. For all the compounding of meetings, grand declarations and pronouncements, its evolution will, as one wag described it, "inch forward at great speed". But if one truly appreciates its real nature, accusations of hypocrisy, double standards, and the rest of what constitute the usual critics' package do not rise.
10. The world though is changing fast. ASEAN today exists in a much more complex world, one that requires the nodes to be highly adaptive in terms of behavior, responsiveness and change. Each of these, in turn, becomes impulses that require quickening responses. Complexity almost ensures that any certainty of outcomes is illusory and that only adaptability matters. ASEAN as a system, however, was not designed or structured and will become increasingly overloaded with time. The on/off switches have to be flicked with ever increasing speed and urgency, something that it will find greater difficulty doing. This, in a nutshell, is my key hypothesis and the main consideration as we move forward to 'build the future'.

Distinguished guests, ladies and gentlemen:

11. The ASEAN Community Blueprint 2025 is, like its predecessor, the ASEAN Roadmap, a statement of aims and intents. The term 'blueprint' is more a metaphor, an unfortunate one perhaps, but one that is too late to change. Thus, we read the 'action plans' – another metaphor – that sound like the 2009-2015 Roadmap all over again. Words like 'continue', 'promote', 'explore', 'consider' and 'enhance' are found liberally interspersed in what is called a blueprint. We even find sentences in the Blueprints that calls for ASEAN Member States to "explore alternative approaches for further liberalization." An inexperienced observer can be forgiven for being puzzled at the lack of definite and concrete actions that may be expected of a 'blueprint'.
12. I would argue that if one fully appreciates the nature of ASEAN as a *meta* organization, a network organization, these things need not be taken too

seriously. Critics attacking this imprecision will be usually answered by defensive statements such as “ASEAN is too diverse”, “its development levels are too far apart” and its “interests are not compatible”. In the old days, it was also common to speak of the lack of political will. These days with high-sounding visions, goals and ambitions – the ASEAN Community being a case in point – it is harder to launch such frontal attacks. There will typically be the appeal to look at the more positive side, such as its ability to engage dissimilar participants in constructive activities and in keeping the peace.

13. ASEAN members believe in small ‘c’ community not out of a desire to deceive others or because they are pressured to do so but because they consider themselves ‘living proof’ of the outcomes. Whether they equally also believe in a big ‘C’ community is more debatable. Rahm Emanuel, former White House Chief of Staff, is supposed to have invented the phrase that “you never want a serious crisis to go to waste”. ASEAN members have lived through a few serious crises and many other ones and have generally evolved and emerged the stronger for it. In no case can it be said that ASEAN was the first line of defense, not even during the 1997-98 Asian Financial Crisis, but it has proved an extremely useful regional format for discussions and collective action that was inherently attractive both for members, as well as external partners and institutions.
14. In this connection, the fact that ASEAN functions primarily as an apex institution and a ‘talk shop’ should not be reason to dismiss its significance. This served the region well at a time when tensions were so rife that countries were more liable to reach for a weapon than for the telephone. It was only through patient discussion on diverse matters, usually economic and initially at the ministerial level, later scaled up to heads of government, and tiny cooperative steps that we could come to the point where the Prime Minister Datuk Seri Najib Tun Abdul Razak could say that last year that ASEAN Community was something that its citizens must be able to feel “coursing through our veins. We must make it vivid and vital for all our citizens.”
15. But it remains to be seen if the ASEAN Community will ever ‘course through the veins of its citizens’ and ‘whether it will be vivid and vital’. Certainly there is the dogged aspiration that it be relevant for the future. ASEAN diplomacy constitutes an important tier-two level of collective security, tier-one being bilateral relationships and this is unlikely to change any time soon. But there are also the ever-present dangers that the component nodes will switch more off than on or that the entire system may eventually be overtaken by more active systems, perhaps even ones that do have strong centers providing leadership or even taken offline.

16. The problem with members being able to switch on and off is that there are basic core issues, ones that, like it or not, define modern 21st Century ASEAN either as small 'c' or big 'C' community. These are not natural to all countries in the region but are nevertheless essential to transplant if ASEAN as a whole and member states are to be taken seriously. The ASEAN Political Security Blueprint 2025, for example, like its 2009-2015 predecessor, sets out goals such as democracy, the rule of law, good governance, promotion and protection of human rights and a long laundry list of security issues.
17. The right to flick the switch, however, is preserved by insisting on adherence to the policy of respect for sovereignty, equality and non-interference that is construed in an asymmetric manner. In actual fact, while non-interference is basic to international law, an integral facet of sovereignty is the ability of states to negotiate and enter into mutually beneficial agreements and treaties that limit their actions. Individual member states already do this bilaterally and multilaterally, and ASEAN itself has devised instruments such as the Treaty of Amity and Cooperation and Southeast Asia Nuclear Weapon Free Zone Treaty.
18. By not taking more concrete steps to preserve a really fundamental menu of political and security rights, one wonders whether the ASEAN Community is doing a disservice to its citizens and itself by creating patronizing rhetoric and mild institutions to soft peddle what are really essential issues such as rule of law, good governance, integrity and fundamental human rights. It may sound exaggerated and unfair but this could be like coming up with a statement that "ASEAN shall endeavor to prevent member states from committing genocide against their own people" and "shall explore ways to prevent this, including holding regular meetings on the issue".
19. ASEAN is a network that does face limitations, importantly, the interests of member states. It thus not only cannot be expected to perform seamlessly but must also be allowed the latitude to make its own myths and meanings. The constructivists among you will appreciate this. To this end, there will be declarations, agreements and even institutions that encapsulate hopes and intents rather than actions. But so long as it is a low accountability organization there will be the suspicions that ASEAN will also continue to be a 'low-responsibility' organisation.
20. The strategic landscape is fraught with growing initiatives and contestations, opening up multi-track approaches, some of which are converging and others diverging. The rise of new powers such as China and the decline of old ones are creating new multilateral and regional pacts that have to be dealt with. At the same time, cross-border

conflicts, tensions, economic and financial volatility and political instability are adding to the complex cocktail of adjustments that nation states have to make. Yet the APSC Blueprint makes little reference to any of these. It would appear that it is enclosed in its own bubble, free of any of the rough-and-tumble that characterizes the region.

21. In the ASEAN Economic Community Blueprint 2025, we see something closer to the bone. Yes, we still have the inane, non-specific and inactionable, but at least the prospects for tangible outcomes are better, with talk of rules of origin, deepened preferences, single windows and sunset clauses. None of these are likely to create an 'OMG!' moment or send pulses racing. The great prizes of removal of non-tariff measures, services liberalization and movement of people remain on the backburner. Perhaps the one saving grace was the statement in the AEC Blueprint that "ASEAN member states shall translate milestones and targets of the AEC Blueprint 2025 into national milestones and targets".
22. Mind you they are not compelled to do so nor are there sanctions if they do not. By kicking the can down the road, however, they see themselves buying time before the next round of scoring and reporting needs to be done. The AEC Community has generally done a good job of moving the proverbial pea forward and there are good reasons for optimism that it will do what needs to be done in a pragmatic manner. In building the future together, however, cognizance will need to be given to the increasing competitive pressures and complexity from within and outside the region.
23. Developments at the ASEAN level require fresh eyes and fresh momentum, particularly in the areas mentioned, that is, non-tariff measures, services and the movement of professionals. Progress on concluding the Regional Comprehensive Economic Partnership, ASEAN's answer to the Trans-Pacific Partnership, remains grindingly slow and indications are that several countries are looking farther afield, namely at the TPP, with others seemingly interested in joining. The European Union-ASEAN Free Trade Area has devolved to separate *ad hoc* arrangements and can no longer be regarded as regional in nature. In the longer run, China may resuscitate the idea of the Free Trade Area for the Asia-Pacific or FTAAP and this will further complicated member states wishing to live closed-off, calm and peaceful lives.
24. On the ASEAN Socio-Cultural Blueprint 2025, the drafters seem to have done a good job of heightening expectations. All change anywhere starts with people and it is recognized that ASEAN must be about people. To be highly commended is the decision to engage stakeholders and civil society in the work of ASEAN institutions, in particular to ensure

inclusiveness, including gender. Other key watchwords of empowerment and inclusiveness are also there. To this end, the ASC Committee will reduce barriers and promote access, human rights, sustainability and the protection of the environment.

25. But the question is again begged: how are the many live issues in the region to be handled? How many seminars and consultations does one have to hold before issues of poor human development, environmental degradation and so forth become things of the past? When do regional initiatives connect with national and subnational governments to deliver substantive people solutions where they are needed? The ASC Blueprint certainly has the capacity to deliver creative flagship projects using new technologies that work to ASEAN's benefit where it matters most – at ground level. Just a few of these can significantly transform the climate.

Distinguished guests, ladies and gentlemen:

26. The key question to ask oneself is where the three Blueprints place us in the tripartite quest for identity, security and prosperity. Will we feel more grounded, safer and wealthier in the years ahead as a result of the actions to be taken? Can we even be confident that the ten member states will hit the 'on' switch when it comes to national policy changes and will not go 'off-line' as some have done owing to their domestic politics? The answers at this stage are uncertain. If even the promise of greater security becomes fleeting, very close reexaminations can be expected to take place.
27. As stated earlier, outcomes in complex adaptive systems are never certain. There therefore needs to be a greater amount of confidence in adaptive processes, ones that are able to absorb the shocks of crises and produce the necessary adjustments. The ASEAN Community has not been designed for these purposes and while it will stay geopolitically relevant for some time to come, it does not have as yet the wherewithal. Perhaps this will come in time or perhaps not. If it does not, it is likely that some member states will make their own arrangements or join others.

Thank you