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CONFERENCE REPORT



INSTITUTE OF STRATEGIC AND INTERNATIONAL STUDIES (ISIS) MALAYSIA

Limited Circulation



ABOUT ISIS MALAYSIA

The Institute of Strategic and International Studies (ISIS) Malaysia was established on 8 April 1983, in realisation of a decision made by the Malaysian Government to set up an autonomous, not-for-profit research organisation that would act as the nation's think-tank. ISIS Malaysia was envisioned to contribute towards sound public policy formulation and discourse.

The research mandate of ISIS therefore spans a wide area. It includes economics, foreign policy and security studies, social policy, and technology, innovation, environment and sustainability.

ISIS Malaysia today fosters dialogue and promotes the exchange of views and opinions at both national and international levels. It undertakes research in collaboration with national and international organisations, in important areas such as national development and international affairs.

ISIS Malaysia also engages actively in Track Two diplomacy, fostering high-level dialogues at national, bilateral and regional levels, through discussions with influential policymakers and thought leaders.

RESEARCH

Economics

Research in this area is generally aimed at promoting rapid and sustained economic growth and equitable development in the nation. We study specific (rather than generic) issues that concern the nation's competitiveness, productivity, growth and income. Areas of research include macroeconomic policy, trade and investment, banking and finance, industrial and infrastructure development and human capital and labour market development. The objective of all our research is to develop actionable policies and to spur institutional change.

Foreign Policy and Security Studies

The primary aim of this programme is to provide relevant policy analyses on matters pertaining to Malaysia's strategic interests as well as regional and international issues, with a focus on the Asia-Pacific Region. These include security studies, foreign policy, Southeast Asian politics and military affairs.

Social policy

Demographic and socio-cultural trends are changing Malaysian society and the social policy programme was established to respond to these developments. Research in this area is concerned with effective nation building, and fostering greater national unity. In particular, we look at issues involving the youth, women and underprivileged communities. In conducting its research, ISIS Malaysia networks with non-governmental organisations and civil society groups.

Technology, Innovation, Environment & Sustainability (TIES)

The TIES programme provides strategic foresight, collaborative research and policy advice to the public sector, businesses and policy audiences, on technology, innovation, environment and sustainable development. Its focus includes green growth as well as energy, water and food security. Towards this end, TIES has been active in organising dialogues, forums, policy briefs and consultancies.

HIGHLIGHTS

ISIS Malaysia has, among others, researched and provided concrete policy recommendations for:

- Greater empowerment and revitalisation of a national investment promotion agency;
- A strategic plan of action to capitalise on the rapid growth and development of a vibrant Southeast Asian emerging economy;
- A Master Plan to move the Malaysian economy towards knowledge-based sources of output growth;
- The conceptualisation of a national vision statement;
- Effective management and right-sizing of the public sector; and
- Strengthening of ASEAN institutions and cooperation processes.

ISIS Malaysia has organised the highly regarded Asia-Pacific Roundtable, an annual conference of high-level security policymakers, implementers and thinkers, since 1986.

INTERNATIONAL NETWORKING

As a member of the Track Two community, ISIS Malaysia participates in the following networks:

- ASEAN-ISIS network of policy research institutes;
- Council for Security and Cooperation in Asia and the Pacific (CSCAP);
- Network of East Asian Think Tanks (NEAT); and
- Pacific Economic Cooperation Council (PECC).

It is also a partner institute of the World Economic Forum (WEF).

Editorial Team

Steven Wong
Susan Teoh
Joann Saw

Design

Razak Ismail
Jefri Hambali

Photography

Jefri Hambali / Halil Musa

Published by

Institute of Strategic and International Studies (ISIS) Malaysia

No. 1, Persiaran Sultan Salahuddin

P.O. Box 12424, 50778 Kuala Lumpur, Malaysia

Tel: +603 2693 9366

Fax: +603 2691 5435

Email: info@isis.org.my

Website: www.isis.org.my

Conference Report

The 28th Asia-Pacific Roundtable



Group photograph with Minister of Home Affairs, Malaysia (fifth from the left)

The 28th Asia-Pacific Roundtable was held on 2–4 June 2014. It was convened by the ASEAN Institutes of Strategic and International Studies (ASEAN-ISIS) and the Institute of Strategic and International Studies (ISIS) Malaysia in Kuala Lumpur, Malaysia.

The yearly Asia-Pacific Roundtable is recognised as one of the premier Track Two security conferences in the region. In the *2013 Global Go To Think Tank Index Report*, conducted by the University of Pennsylvania, the Asia-Pacific Roundtable was ranked among the top twenty in the world for 'Best Think Tank Conference'.

The Roundtable attracted more than 390 security experts, policymakers, scholars, researchers, journalists and business leaders from the Asia Pacific and Europe. The main sponsors of the event were Konrad-Adenauer-Stiftung (KAS), UEM Group Berhad, Japan Foundation, New Zealand Foreign Affairs and Trade, Embassy of Japan in Kuala Lumpur and US Department of State.

Dato' Seri Dr Ahmad Zahid Hamidi, Minister of Home Affairs, Malaysia, opened the event with an address of The Prime Minister of Malaysia, Dato' Seri Mohd Najib Tun Abdul Razak. His speech highlighted the important role of the Association of Southeast Asian Nations (ASEAN) and its relations with the rest of the Asia Pacific countries. The year 2015 is certainly significant for both ASEAN and Malaysia — Malaysia takes on the chairmanship of ASEAN on 1 January 2015; the ASEAN Community comes into effect; and the East Asia Summit (EAS), which had its beginning in Kuala Lumpur, celebrates its 10th anniversary.



Norio Mitsuya

ASEAN will continue to strengthen its ties with its dialogue partners to ensure the region is moving forward. Malaysia, as the new chairman of ASEAN, will endeavour to further strengthen the three pillars of the ASEAN Community, namely the political-security community, economic community and socio-cultural community.

Undoubtedly, the ASEAN spirit of cooperation needs to be maintained and enhanced across a whole range of issues among its partners in the region. Such cooperation can be strengthened through the building of institutions, rules and norms within the accepted regional cooperation.

The Minister also called upon the nuclear weapons states to accede to the protocol of the Southeast Asia Nuclear-Weapons-Free-Zone. Indeed, Malaysia has taken part to prevent the proliferation of weapons of mass destruction through its endorsement of the Proliferation Security Initiative.

The following report highlights some of the key issues discussed in each of the sessions.

Opportunities and Challenges in Constructing a Peaceful and Prosperous Region: A Japanese Perspective

The prediction of the 21st century as the 'Asian century' underscores the growing global recognition on the role and importance of Asia as a pillar of global wealth and power in the foreseeable future. However, issues of peace and stability remain challenges facing various states with the potential of disputes flaring up. These must be managed carefully with potential solutions cultivated, strengthened and sustained for Asia to live up to its promise for scaling new heights of economic achievements and prosperity. As a key regional player, how does Japan view the unfolding of the Asian century and how would the Abe Doctrine facilitate an Asian renaissance? What is Japan's future role and contribution to regional security? Japan's Senior Parliamentary Vice-

Minister for Foreign Affairs, **The Hon Mr Norio Mitsuya** addressed these concerns and elaborated Japan's outlook for the region.

In his address, Mitsuya reiterated the achievements and importance of the Asia Pacific region as a centre of global economic expansion and potential contributor to the larger development of humankind. Recognising this, Prime Minister Abe has visited more than 14 countries since assuming office and remains fully committed to enhancing Japan's engagement with the region. Abe also articulated several proposals to this end, including the expansion of cooperative ties between ASEAN and Japan, the accomplishment of the rule of law in the seas and the enhancement of the functions of the EAS.

Challenges remain largely security in nature both conventional — rise in military spending and coercive behaviours that threaten the freedoms of over-flights and navigation of the seas — and unconventional challenges — such as terrorism, transnational crimes, cyber-attacks and natural disasters — being potential threats that could upset the progress of the Asian century by undermining trust between states.

Mitsuya also expressed Japan's deep concern about the situation in the East and South China Seas. Japan sees the peace, security and freedom of navigation as concerns of the wider international community. He urged all countries involved to clarify their claims based on relevant international laws. Asia, he argued, should achieve growth not by expanding its armaments and creating more security dilemmas but by investing in sectors that enable economic growth.

Mitsuya then outlined three key approaches that countries in the region could take to tackle these potential issues. First, states should increase cooperation towards enhancing the global commons. It is vital that the rule of

law and not the rule of force reigns supreme in Asia. Thus, the Japanese government requests that states observe the principles of clarifying the legal grounds for their own claims, not use force or coercion in trying to drive their claims, and seek to peacefully and lawfully settle their disputes. On that note, it is the position of Japan that such principles be applied to the South China Sea where the conclusion of an agreed upon Code of Conduct will help alleviate tensions and possible conflicts.

The second approach is to reinforce the regional architecture. The Asia Pacific region is characterised by a multi-tiered framework that has successfully delivered in non-traditional security areas. However, regional cooperation in the area of traditional security needs to be strengthened by stepping up collaboration, transparency and mutual trust. One way this could be achieved is through enhancing the roles and functions of the EAS through collaboration with the ASEAN Regional Forum (ARF) and the ASEAN Defence Ministers' Meeting (ADMM) Plus.

Thirdly, partnerships must be strengthened based on trust. Japan welcomes the US rebalance to the Asia Pacific and will seek to buttress the US-Japanese alliance as the lynchpin of Japanese diplomacy and in contributing to the safety and security of the wider region. At the same time, Japan will always be open to dialogue and cooperation with China and will continue to pursue partnerships with ASEAN countries through security cooperation and capacity building. The key to all these relationships is to build and operate on a position of trust.

... Japan has been and will always be seeking to contribute towards resolving issues in the Asia Pacific.



Chen Dongxiao



Andrew J Nathan



Bilahari Kausikan

Mitsuya concluded by stating that Japan has been and will always be seeking to contribute towards resolving issues in the Asia Pacific. He believed that such engagements have produced a favourable view of Japan in the region and is something that Japan intends to build on. Additionally, as Japan moves forward in conducting a review of its defence policies, its Self-Defence Forces could ultimately be better positioned to contribute to international efforts. It is the ambition of Japan to embody the abovementioned principles and approaches, becoming a 'proactive contributor to peace' while leveraging on its respect for a diverse Asia Pacific as the key for a prosperous and stable region.

Understanding the 'New Type' of Major Power Relations: What, How, Why?

Establishing a 'new type of relationship between major countries in the 21st century' has become a key plank in China's foreign policy under President Xi Jinping. Yet the concept remains vague and thus subject to different interpretations. What might be the motivations and objectives behind the call for such a relationship? How would this new type of

relationship manifest itself in the conduct of relations between China and the United States? How would this initiative impact relations between those major powers and the ASEAN? **Prof Dr Chen Dongxiao, Prof Dr Andrew J Nathan and Amb Bilahari Kausikan** explored the core ideas, assumptions and expectations behind this initiative.

Among the issues articulated was that although China and the United States have used similar language to describe the need for a new approach to great power relations, it is unclear if they have the same appreciation of its exact meaning. An apparent but inaccurate understanding can be far more dangerous than a clear difference. In China, for example, the terminology of a 'new type' versus a 'new model' of major power relations carries different implications and an implicit understanding of both is required to best describe the US-China relationship from Beijing's perspective. At the Sunnylands Summit in June 2013 with President Obama, Xi outlined the characteristics of this 'new model' of major power relations stating that such a relationship should be defined by no conflict, no confrontation, mutual respect and win-win

cooperation. Beijing's 'new model' seeks to proactively reverse any negative trend of US-China relations while highlighting the alternative aspects of it.

While there is an expanding list of converging interests between the United States and China, both countries remain at a critical juncture with significant differences between them surrounding issues of maritime territorial disputes, terrorism, cyber security and other core interests. The crucial question is not whether there should be a new model of relations but rather how this model is carried out by both parties.

It was also highlighted that both the United States and China viewed each other through very different lenses. While Beijing expects the United States to acknowledge China's rise as inevitable and accord it fair treatment without constraint, Washington has interpreted this stance somewhat suspiciously and responded with an inclination to maintain the status quo in relations. One could claim that while China appears to favour a 'formulaic model' in managing relations in the future, the United States prefers a more 'pragmatic approach', figuring out solutions to challenges as they arise.

When focusing on great power relations from a more general sense, there are some things that have changed while others have not. Using the Ukraine separatist dispute and its impact on the European Union (EU)-Russia relationship as an example, a speaker argued that not all countries have a common understanding of the concept of the sovereign system of states. What has changed, however, is the qualitative nature of the profound interdependence between the great powers. The containment approach is now impossible, even if the United States were to assume such an approach. The former Soviet Union was containable because it was largely self-contained itself. But China, by its own choice,

has so enmeshed itself in the world economic system that it is now a vital part of the world's economic grid. What impacts China will impact the global economic system and vice versa.

In further representation of this, several key issues that were previously limited to East Asia but now routinely include and impact Southeast Asia were highlighted. The establishment of the EAS, which also includes India, Australia, New Zealand and Russia, is a clear sign of not just the interdependence of great powers but of key regions as well. With the EU and Canada seeking entry into the EAS, the conception of East Asia could yet further evolve from what is commonly accepted today.

While rivalry is intrinsic to major power relations, conflict is different from competition and is something entirely avoidable. Here, ASEAN has a role to play as ASEAN-led forums can and should function as supplementary frameworks to moderate this competition because the primary interactions between great powers will be bilateral. The question then is what price the others will have to pay when this new *modus vivendi* arises since great powers never pay the full price themselves.



Yan Xuetong



Tomohide Murai



Simon S C Tay

Resetting Sino-Japanese Relations

The last few years have seen rising tensions between China and Japan in Northeast Asia, which in turn have created a larger climate of anxiety for the larger region. Discussions on the issue have centred on the practical steps that China and Japan can take to manage tensions, prevent miscalculations and promote greater stability in their relationship. What would it take to restore regular high-level contact between Beijing and Tokyo? What realistic measures can the two countries adopt to moderate the intensity of their action-reaction dynamics in the East China Sea? Could there be possible roles for regional platforms — such as the ARF, the ADMM Plus, the ASEAN Plus Three (APT) and EAS — in helping to reset Sino-Japanese relations? To discuss these questions and examine if a ‘reset’ is even possible were **Prof Dr Yan Xuetong, Prof Tomohide Murai** and **Assoc Prof Simon S C Tay**.

While tensions remain, regular high-level contact has been restored between China and Japan. Nevertheless, political will and intention is more important for improving relations than mutual trust. For example, the United States and Soviet Union were able to cooperate against a common enemy during the

Second World War (WWII) despite the lack of mutual trust between themselves. Some opined that the adoption of a more passive and conciliatory strategy by China against Japan in the East China Sea would lower regional tensions and avoid a Prisoners Dilemma situation. More importantly, both countries need to put greater weight towards the future instead of the recent past — namely China’s persistent references to bilateral relations before the beginning of the Koizumi era in 2002, and Japan’s yearning for bilateral relations during Deng Xiaoping’s era — which can distort present conditions.

To better moderate the intensity of the dispute in the East China Sea, there should be recognition that the contentious issues do not, and need not, necessarily involve third parties or the intervention of third parties. They can be settled by the two parties themselves. There has been a regional precedent for this where China, for example, did not involve itself in the Russian-Japanese conflict over the Kurile Islands and Korean-Japanese conflict over the Dokdo/Takeshima Islands.

Besides that, benign competition through practical cooperation in functional areas, such as infrastructure and free trade

agreement negotiation, could increase not just the prosperity of both countries but also economic interdependence, thus lessening the chances of the conflict spiralling out of control. The Regional Comprehensive Economic Partnership (RCEP) is an example of such a platform.

Would a militarily weak Japan encourage instability? As a safeguard, Japan should develop and maintain its lead in defence related technological superiority to prevent a radical power shift in Northeast Asia. Additionally, scapegoating Japan for its past actions in WWII should be gradually toned down. Such criticism, especially if seen as excessive and unwarranted, can and will lead to Japanese frustration and could propel the ascent of the more extreme right-wing Japanese nationalists in domestic politics.

Existing territorial disputes in the East China Sea could be defused via a Declaration on the Conduct of Parties and Code of Conduct. In working towards this goal, both Japan and China could look towards ASEAN and how its members negotiated peaceful territorial dispute settlements with each other while maintaining close cooperative ties.

It is important for ASEAN not to be defined or held hostage by any single issue like the East China Sea dispute between China and

Japan. To maintain neutrality, ASEAN should focus more on forums like the APT, instead of the ASEAN Plus One with either China or Japan. Moreover, ASEAN centrality should also be maintained in other ASEAN linked institutions, such as the EAS, to avoid rivalry between China and Japan.

Fostering Peace and Managing Security in the Asia Pacific

While Asia Pacific's economic prosperity continues to grow at an unprecedented rate, the relative peace that underpins such growth has come under increasing pressure due to territorial disputes, competition for energy resources and the erosion of strategic trust. According to **Amb Viorel Isticioaia Budura**, the EU — as a big collective economic entity — wants to increase its presence in the Southeast Asian region. Asia, an economic powerhouse in its own right, is an important trade and economic partner for the EU. The EU wishes to pursue an extended and extensive engagement with Asia to ensure the aspects which drove ASEAN's growth, such as trade, continue to flourish. Undoubtedly, the South China Sea is an area of major concern for the EU. Disputes in the area can easily spiral downward and have negative effects on the region's economy and peace. A strong and self-confident ASEAN is needed to play an important role. The EU is keen to offer financial assistance to ASEAN,



Jun Nagashima



Viorel Isticioaia Budura



Kim Sung-han



Kelly E Magsamen

namely by supporting the ASEAN Secretariat and its various projects. The EU also wants to foster knowledge-sharing from the EU to ASEAN, such as knowledge on operating a single market with private partnership. Dialogues on security issues, such as the Asia Pacific Roundtable, could pave the way for such endeavours.

Maj Gen Jun Nagashima went on to say that Japan welcomes the US rebalance to Asia for peace and stability in the region. At the same time, Japan also makes a proactive contribution through three principles: (i) the rule of law; (ii) increasing regional security architecture; and (iii) reconstructing the legal basis for security policy. The EAS should be more than a forum for talks; it should be able to resolve conflicts. Japan hopes to have a more active role in ensuring regional security and stability, and has proposed to change the role of Japan's military. Nagashima stressed that changes in the Japanese military role are for the purpose of preserving peace and stability. He offered crisis management examples where the military extended its assistance, such as the Typhoon Haiyan in the Philippines, earthquake in Haiti, the disappearance of Malaysian Airlines flight MH370, the ADMM Plus humanitarian assistance and disaster relief (HADR) exercises. Nagashima also reiterated the need for regional cooperation in global commons, specifically the sea, outer space, and cyberspace. This is in light of the fact that cyber attacks against government institutions are increasingly becoming a real threat.

In addition, there is a real need to focus on damping regional insecurities in Northeast Asia. Among these countries, economic integration is ongoing but political integration is still lacking. It is necessary to include the US factor as a strategic balancer in Northeast Asia. **Prof Dr Kim Sung-han** noted that strategic competition for maritime security is intense especially in the areas of fisheries as well as oil and gas between the United States and China, given both are large energy-consuming countries. Japan has tried to balance China by

engaging the United States and India. It is important for alliances and multilateral security arrangements to coexist in Northeast Asia. Hence, strategic thinking that is based on realism is still relevant. The Six Party Talks should be kept alive as its norms can again be used to discuss new problems in new settings as well as to determine if North Korea is still interested in building relations. Furthermore, it is imperative to expedite the ADMM Plus talks to create a meaningful confidence-building mechanism. Kim hopes that bilateral ties and multilateralism will continue to contribute to peace and security.

***... the best way to avoid conflict
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increasing trust.***

For **Ms Kelly E Magsamen**, there are choices to create instability and risks — lines drawn between intimidation and international rules and law, with the latter being increasingly tested in recent years. The US position is that it takes no position but affirms itself against any nation that uses coercion and intimidation to assert claims; the US priority is to ensure freedom of navigation. Magsamen stated that the best way to avoid conflict in the Asia Pacific is through cooperation by increasing transparency and increasing trust. This is the rationale behind the meetings of President Xi and President Obama, a demonstration of their shared commitment to a new type of power relation. The increase of military to military exchanges could also help increase confidence-building. The United States hopes to see greater maritime cooperation in ASEAN so as to deter provocative conflicts, increase maritime security cooperation and resolve disputes peacefully through international law. Therefore, it is in the US interest to strengthen the regional security architecture.



From left: Soe Myint, Tin Maung Maung Than, Simon S C Tay and Zaw Oo

Myanmar's Political and Economic Reforms

An election was held in May 1990 and the National League for Democracy (NLD) gained 60 per cent of the votes and 81 per cent of the seats. The National Convention was tasked to formulate 'detailed basic principles' on powers and functions of the President in the executive and judicial sectors. The process of drafting principles for the new Constitution was concluded in September 2007. A referendum was then held in 2008 and the government announced that 92.48 per cent of voters approved the Constitution.

However, as described by **Dr Tin Maung Maung Than**, several provisions in the Constitution came under the spotlight. For instance, the Tatmadaw (Defence force) is given a national political role with 25 per cent of the seats reserved in the central and state legislatures; the Tatmadaw is also granted immunity for all actions which were earlier taken by the military junta; the National Defence and Security Council is the most powerful body under the Executive branch; over 75 per cent of supporting votes in the Parliament and over 50 per cent of support of all the people who have the right to vote in a referendum are required to amend provisions from some chapters of the Constitution; and the Commander-in-chief of the Defence Forces is

endowed with sweeping powers when a state of emergency is declared in the country or in a state.

Dr Zaw Oo went on to explain that Myanmar is currently undertaking a triple transition: (i) democratic transition; (ii) economic transition; and (iii) war-to-peace transition. The country is at an early stage in its economic development but has some undeniable advantages. In fact, in June 2013, McKinsey Global Institute estimated that Myanmar has the potential to achieve over USD 200 billion in GDP in 2030.

In accordance with President U Thein Sein's vision and guidelines, the Framework for Economic and Social Reforms (FESR) was developed in 2012. It outlines policy priorities for the government in the next three years while identifying key parameters of the reform process that will allow Myanmar to become a modern, developed and democratic nation by 2030. In this regard, the FESR is an essential policy tool of the government to realise both the short-term and long-term potential of Myanmar.

Without a doubt, Myanmar faces challenges in wanting to achieve economic stability. Does the government have the capacity to implement reform? The government's fiscal capacity is also too weak to ensure the

sustainability of the social contract. Furthermore, the ongoing peace negotiations between the government and the opposition face greater challenges in terms of constitutional reform and political settlement. In addition, the government is trying to diversify its portfolio of strategic and economic relationships and not be over-reliant on China. If the FESR succeeds, it will certainly boost the democratisation of the country.

Myanmar's reform process has also impacted the media industry although it is still dominated by a state-owned agency. This is proven through the establishment of private media. Additionally, there has been some progress in the liberalisation of its broadcasting technology.

For **Mr Soe Myint**, the success of a general election in Myanmar is a start towards a reform in politics and economics. The next election scheduled for 2015 will be a test of the government's commitment to reform and hold free and fair elections. Even so, the international community may have to be prepared to face the prospect of an election being held without any constitutional amendments — albeit the polls are considered relatively free and fair.

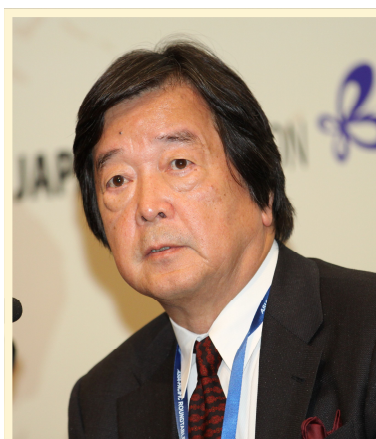
ASEAN's Post-2015 Agenda: Strengthening and Deepening Community-building

The vision of the ASEAN Community is to be more connected and resilient. However, not all member states share the same notion of what the integration should be, according to **HE Mr Ong Keng Yong**. While ASEAN has made good progress under the ASEAN Economic Community (AEC) Blueprint, the remaining 20 per cent of measures would be the most difficult to implement. Member countries are required to amend their respective legislatures — to compromise on their national position for the sake of the broader ASEAN interest. Progress has been slower in terms of the political and socio-cultural blueprints due to circumstances like political differences or natural disasters such as Typhoon Haiyan.

For post-2015, ASEAN should focus on its outstanding priorities in services liberalisation, the facilitation of trade and movement of skilled manpower. ASEAN should also enhance people-to-people interaction as well as exchange for greater intra-ASEAN connectivity. This will help raise the level of awareness of ASEAN among its peoples. In Ong's opinion, ASEAN should focus on three 'Cs'



Ong Keng Yong



Hitoshi Tanaka



David Taylor

for the next 10 years — communication, consolidation and community.

Mr Hitoshi Tanaka also presented some recommendations, which were submitted by a Japan-ASEAN working group for the EAS, for ASEAN beyond 2015. There were two important dimensions to the recommendations. First, there is a need for ASEAN to strengthen and expand its economic, political and security capacity. Concerning economic capacity building, there is a need to address the deep divide between the haves and have-nots in ASEAN. There is also a need to help ASEAN achieve connectivity. Relating to political capacity building, the liberalisation in Myanmar is promising, but the political situation in Thailand is disappointing. Nevertheless, ASEAN has come a long way to build its political capacity. As for security capacity building, ASEAN needs to build its capacity in maritime and non-traditional security. Japan has pledged its willingness to help ASEAN build its maritime security, providing high speed motorboats for instance.

Second, there is a need for ASEAN to cope with ever-changing geoeconomic and geopolitical tensions in East Asia. Currently, only a few ASEAN countries are in the Trans-Pacific Partnership Agreement (TPPA). It would be good to have all the ASEAN countries in the TPPA to avoid a divide between TPP countries and non-TPP countries. Furthermore, the balance of power is changing, potentially creating a 'Cold War type conflict'. For Tanaka, ASEAN can play a significant role in avoiding this conflict by cooperating with Japan to deal with confidence-building through the EAS.

Mr David Taylor went on to suggest that ASEAN should continue to hasten economic integration to deliver a strong and equitable regional economy as well as narrow the development divide. A regional identity must be developed through strengthened internal and external engagements, including dispute management and resolution. ASEAN should also strengthen its secretariat and pursue processes

that deliver the outcomes as identified by its leaders. It is vital for ASEAN leaders to be open-minded and continue to lead change, share their vision and demonstrate political will.

ASEAN can be proud of its past and its present, but it is important that the history does not become its straitjacket for change and adaptation in the future. While the leaders are in charge, there is need to hear from all sectors of government and society, as well as external partners. Moreover, strong and relevant institutions with a greater focus on achieving outcomes are essential. Progress should be monitored and challenges identified. In fact, ASEAN needs to become the thought leader of the region. The ASEAN Secretariat has potential as a policy and implementing arm for the region. There will always be issues of sovereignty and trust but members need to be transparent and open and find ways to build confidence.

Beyond Territoriality: Managing the Maritime Commons in the South China Sea

Maritime security was once conceived of as state security. However, it is now being viewed as part of regional security. In fact, maritime security is now on the ASEAN agenda at the highest-level. Indeed, it has been institutionalised into several multilateral institutions. ASEAN needs to enhance the effectiveness of the ASEAN Political-Security Council (APSC) by prioritising the objectives of the multiple institutions working on maritime security and streamlining their reporting functions. The Council should also coordinate and shape the recommendations from both civilian and military organisations before presenting them to the ASEAN Summit. It is important for the ASEAN Coast Guards to work cooperatively with the ADMM through the APSC.

In addition, priority should be given to institutionalising and enhancing the role of the Expanded ASEAN Maritime Forum (AMF). The Expanded AMF needs to develop an agenda that addresses the most pressing security issues and forward its findings and recommendations to

the EAS. Regional cooperation on maritime security has largely been a bottom-up process. A clear direction from above is evidently needed. The EAS should become the prime leaders-led forum to consider inputs from the ARF, the ADMM Plus, and the Expanded AMF. It could then give top-down direction to implement recommendations related to the management of the maritime commons in the South China Sea (SCS).

The management of fisheries in the SCS is a key issue affecting regional food security. Fish stocks are already being depleted through pollution and overfishing. Furthermore, friction between states over fishing rights has increased. The Asia Pacific Economic Cooperation (APEC) forum could take the lead in addressing such issues. A formal liaison mechanism linking APEC to the EAS should then be established.

According to **Ms Youna Lyons**, the management of the marine environment in Southeast Asia is characterised by a mismatch of programmes and initiatives with different donors, overlapping scope and weak coordination. Better coordination and cooperation are needed. The sharing of scientific data on marine resources, habitats and uses in the SCS should, therefore, be enhanced.

Next, ASEAN states should continue to pursue with China the implementation of the

Declaration on Conduct (DOC) and a Code of Conduct (COC) for the SCS. **Prof Emeritus Dr Carlyle A Thayer** opined that ASEAN's energies in working towards a COC in the SCS with China are possibly unachievable in the foreseeable future. Nonetheless, ASEAN should draft and ratify a COC for Southeast Asia's Maritime Commons. In order to develop this COC, individual member states should resolve territorial and maritime disputes with other members. This COC would enhance ASEAN'S unity and cohesion, promote regional autonomy and, more significantly, ASEAN's centrality in the region's security architecture.

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Dr Vijay Sakhuja went on to highlight two incidents — the loss of Malaysian Airlines flight MH370 and the sinking of the Korean ferry Seawol — to point out that oceans and seas present great challenges for Search and Rescue (SAR) operations despite numerous technological advances. Besides geographical and technological constraints, challenges for



Youna Lyons and Carlyle A Thayer



Mely Caballero Anthony and Vijay Sakhuja



Yoshiji Nogami



T J Pempel



Richard J Samuels

SAR at sea also emerge in the form of contested boundaries, mutual suspicion, lack of trust, and lack of agreements to address such accidents.

In any SAR operation, time is of acute importance. Hence, it is vital for the littoral countries of the SCS to develop a cooperative framework for SAR operations. The various landing facilities and safe anchorages for ships that have been built in the SCS can be utilised for SAR operations, thus converting 'unsinkable aircraft carriers' to SAR 'lily-pads'. There are at least four known airstrips of various sizes in the SCS, which can be converted into 'lily-pads' for SAR operations.

A dialogue among the claimant states for integrating the national SAR capabilities and channels of communication for enhancing the ability to respond to SAR requirements are critical. Needless to say, training and joint exercises are necessary for any SAR operation.

Is Japan Back?

When Japanese Prime Minister Shinzo Abe assumed office for the second time, he unveiled a series of measures, commonly known as 'Abenomics', to revitalise the Japanese economy. The three-pronged strategy of Abenomics, called 'three arrows', are bold monetary policy,

flexible fiscal policy and structural reforms. While the first two arrows have been implemented and have led to mixed results, the third arrow can only be done incrementally as it revolves around structural changes which cannot be achieved overnight.

Japan, it seems, has never left the stage, but rather stagnated due to its deflationary economic state. Between 1992 and 2013, Japan's gross domestic product (GDP) grew at an average of less than 1 per cent annually. Japan was caught in a downright spiral of a vicious cycle, starting with plummeting stocks and falling real estate prices. The nation's exorbitant public debt and the hollowing out of Japan's manufacturing sector further worsened its economy.

How effective has Abenomics been in its effort to revive the Japanese economy? **Amb Yoshiji Nogami, Prof Dr Richard J Samuels and Prof Dr T J Pempel** all agreed that with the economic stimulus implemented, Japan was certainly 'back', at least for a period. A more sustained growth should come with the successful implementation of the last strategy of structural reforms. These measures include the promotion of private investments, developing new markets and active promotion and participation in free trade agreements.

Nonetheless, given that structural reforms take time to be put in place, its level of success cannot be gauged immediately.

Beyond regaining its status as one of the region's economic powerhouses, Japan should also assume a more effective role in the region. A more 'masculine' Japan is needed where it can be seen as a leader in the Asia Pacific region. However, a more masculine Japan does not mean that it will adopt a more militaristic approach in foreign policies. Instead, Japan should balance its efforts in improving its domestic and foreign policies. Improving one facet of its policies should not be at the cost of another.

Is Japan back as a trans-Pacific and East Asian power then? Asia-Pacific's shifting regional environment has been marked by the tension between enhanced economic interdependence on the one hand and a deteriorating security environment on the other. It is for this reason, along with other security issues, that the Trans-Pacific Partnership (TPP) could be used and seen as a bridge between domestic economic reform and a resurgence of Japanese influence within East Asia.

The Dynamics of India's Rise: National Imperatives and International Aspirations

India's rise as a major power is often treated as a forgone conclusion. Yet, the country continues to face a myriad of economic, social and developmental challenges. In the 67 years of India's independence, India has shown its ability to manage its future by overcoming a number of challenges. It has successfully maintained its territorial integrity, contained separatism, overcome starvation and boosted food production. However, other challenges remain, the biggest of which is that of economic development. India's USD 2 trillion economy has been dwarfed by China's USD 9 trillion. India was destined to rival China 10 years ago, but now it is trailing behind on almost every count.

The continuing Indian imperatives are: (i) ensuring democracy, as it is the instrument through which it can maintain political unity in a greatly diverse country divided by caste, religion, region and language; (ii) eliminating mass poverty and persistent underdevelopment; and (iii) ensuring a peaceful periphery.

Moving forward, Indian aspirations are to fix its economic situation and get onto the



Ian Hall



Manoj Joshi



From left: Munir Majid and Pramit Pal Chaudhuri

high economic growth path. In policy terms, these range from playing the anchor role in the South Asian region to being a regional player that can influence its neighbouring regions, if not world affairs. But for the latter to be achieved, India needs to make a beginning in its own region.

For a larger role in world affairs, **Dr Manoj Joshi** opined that India needed to overcome its serious security problems related to internal divisions and problems as well as its South Asian neighbours and China. India has so far sought to engage Pakistan, regardless of the latter's response. The Sino-Indian borders remain un-demarcated, but peace has been maintained so far without any external intervention.

Mr Pramit Pal Chaudhuri then talked about India in the context of the rise and fall of the 'Manmohan doctrine'. Between 1998 and 2008, India's favourable economic growth trajectory directly injected a sense of confidence in India's foreign policy. Among its foreign policy accomplishments are the favourable US-India relations in the context of India's nuclear programme, the enormous drop of violence in Kashmir and along the borders, and the back channel diplomatic talks held with Pakistan under Pervez Musharraf. India also contributed

constructively in various areas such as climate change, trade, and bilateral and multilateral military exercises.

However, post-2008, India started to fall apart. The economy fell due to several primary factors. The global financial crisis caused a foreign capital flight from India and a slump in exports. A wave of corruption scandals also paralysed key economic areas, particularly the infrastructure projects, and collapsed private investment. Additionally, the division of power between Manmohan Singh and Sonia Gandhi, the latter of whom believed that welfare expenditure is crucial for electoral success, affected India's economy. Moreover, persistent and chronic inflation revealed a serious structural problem and was one that Singh's government did not know how to get out of.

The new Prime Minister is adamant on repairing the damage done to the Indian economy, with his aides speaking of a two-year period to do so. The agenda would be to restore confidence and investment as well as to undertake structural reforms to address inflation. This requires a lot of steps. While foreign policy is unclear, diplomacy with other countries will be driven by the economy, namely trade and investment.

For **Dr Ian Hall**, India's two main challenges are lifting the country out of poverty and coping with the problems of its immediate neighbours. In the 1990s, its approaches to these problems were clear. It pursued a 'Look East' policy and tried to address its external security challenges by testing nuclear weapons, making the impression that India was beginning to act like an aspiring great power.

However, hopes that India could be a great power that can influence events and drive change have not materialised. It has failed to capitalise on its membership in important regional and international forums, such as the Indian Ocean Rim Association (IORA), EAS, G20, G8+5 Climate Change Dialogue and the UN Security Council. In part, it is because India has continued to 'just say no' in these forums. India has also struggled in its search for natural resources, especially oil, losing especially to China. Furthermore, it has struggled to build the hard power resources it would need to pursue a more 'muscular' foreign and security policy.

Expectations are high for the new government to affect change. The manifesto of the Bharatiya Janata Party (BJP) implies that India will focus on improving relations with its South Asian neighbours, leveraging India's soft power, emphasising trade in foreign policy, expanding India's diplomatic corps, transforming security and defence, and taking a fresh look at its nuclear doctrine. It is unclear though how and with what means can India achieve these changes.

There are three visions of world politics vying for pre-eminence in New Delhi: (i) a multipolar world; (ii) the United States declining only relatively; and (iii) the resurgence of the nationalist style which believes that India is an emerging civilisational state with its own distinctive, culturally specific way of approaching domestic and foreign affairs. Hall believes that India's elite will adhere to the first and third visions. This means India's relationship with the United States will

not improve any time soon, but relationships with other Asian countries (Iran, Japan and Southeast Asia) will be better.

The Future of Thai Politics

Despite winning every election since 2001, the government in Thailand has faced persistent challenges to its legitimacy from an influential section of the population. On 22 May 2014, Thailand's military seized control of national administration and suspended the constitution after rival factions failed in negotiations, following six months of political impasse — resulting in the nation's 19th coup in 82 years since the end of absolute monarchy in 1932. An establishment of a junta under National Council for Peace and Order (NPCO) promptly declared a curfew, detained key figures in politics, imposed media censorship, and dissolved the constitution, parliament and senate. This interminable cycle of political instability examines the future of Thai democracy and politics as well as the role of media and state institutions. Fundamentally, what are the roots of Thai political divide and what are the measures needed to bring greater stability to Thai politics? **Mr Bunn Nagara, Prof Dr Andrew Walker and Mr John J Brandon** shared their views.

Democracy in Thailand is unique since its Constitution (Article 7) appears to provide for the King to intervene in times of Constitutional crises including coups. Due to the pre-eminent role of King Bhumibol Adulyadej, he has implicitly or explicitly supported several military coups. Arguably, the role of the monarchy in politics has to some extent been overused and capitalised by certain groups or parties (such as the media and scholars), thereby enlarging its scope and significance. Given that Crown Prince Vajiralongkorn does not share King Bhumibol's exceptional reputation, questions over the royal succession could potentially spark a democratic revival, encouraging attempts to manage political conflict in alternative ways. In addition, popular



Bunn Nagara



John J Brandon



Andrew Walker

opposition to the pro-Thaksin Pheu Thai party by such groups as the People's Democratic Reform Committee and People's Alliance for Democracy, despite taking the form of street protests, has been a weak force to democratic leadership.

Thailand's political divide reflects north-south partisan sympathies. The rural population in the Northern provinces has energised an electorally dominant pro-Thaksin (Red Shirt) force with the aid of partisan inducements. Since Thaksin's populist policies had been pro-North rather than pro-poor, his leadership is not well received in the poor Southern provinces which remain solidly pro-Democrat. Arguably, the uneven distribution of governmental resources remains a pertinent issue amid allegations of corruption.

The uncertain future of Thai politics may see more reform or more repression or both. The media is commonly perceived as an influential institution in reflecting social reality and connecting with the people. Thailand ought to maintain its regional and international profiles, especially in its role of coordinating

ASEAN-China relations and promoting the proposed Code of Conduct for the South China Sea. The political costs of the military coup to ASEAN can be viewed in two perspectives, grief and acceptance. Grief stems from violating ASEAN's declaration on human rights and undermining the principle of non-interference through growing demands for democratisation. Acceptance comes from ASEAN's recognition of the military's informal but pivotal role as a vital organ of Thailand's body politic. The military coup will likely have little or no impact on the budding ASEAN Community scheduled to take off in 2015 on the basis that the coup is inwardly directed whereas the ASEAN Community reflects relations among ASEAN countries. A coup could well redirect tourism and foreign investment to Thailand rather than pose a threat to the ASEAN countries.

In order to rebuild positive political forces, nurturing a legitimate and viable political culture as well as parties' respect for the electoral system is crucial. On the basis of trust, the military could support an interim government to ensure progress towards the next election. This would spark criticism on the

The 28th Asia-Pacific Roundtable





potential of an engineered election forced by the army. Consequently, the losing side might reject the results thereby causing more bloodshed.

Thailand is likely to return to parliamentary democracy before the end of 2015 in the absence of any unforeseen major disruptions.

In the near future, Thailand is likely to return to parliamentary democracy before the end of 2015 in the absence of any unforeseen major disruptions. Over the medium term, coups will continue to occur intermittently between periods of democratic parliamentary rule. The Constitution will therefore continue to

be amended occasionally, such as following a coup. The rest of ASEAN has been more understanding towards Thailand's coups than many Western countries. This is because of Thailand's unique history and development. A coup in any of Thailand's neighbouring countries, however, would be more serious and seen quite differently.



This report was compiled with the assistance of the following: Mr Ahmad Rafdi Endut, Ms Elina Noor, Dr Juita Mohamad, Dr Jun-E Tan, Ms Mazlena Mazlan, Ms Melody Goh, Ms Michelle Kwa, Mr Shahrizan Lockman, Mr Thomas Benjamin Daniel, Mr Woo Hon Weng and Ms Zarina Zainuddin.

Keynote Address

The Honourable Dato' Sri Mohd Najib bin Tun Haji Abdul Razak
Prime Minister of Malaysia

Delivered by Dato' Seri Dr Ahmad Zahid Hamidi
Minister of Home Affairs



Dato' Seri Dr Ahmad Zahid Hamidi

Good evening, I have the honour to represent the Prime Minister of Malaysia, Dato' Sri Mohd Najib Tun Razak, to deliver this Keynote Address, and to officiate the opening of the 28th Asia-Pacific Roundtable. The Honourable Prime Minister sends his warmest greetings and expresses his regret that he is unable to join you at this year's Roundtable as he is away from the capital on official duties.

I would like to congratulate ASEAN-ISIS and ISIS Malaysia for the success of the Asia-Pacific Roundtable, which is now in its 28th year. I am also delighted to note that a recent survey conducted by the University of Pennsylvania has ranked the Asia-Pacific Roundtable as among the top twenty think-tank conferences in the world. This is a

commendable achievement and speaks volumes about the traction that the Asia-Pacific Roundtable has gained within policy and academic circles. I am confident that the Asia-Pacific Roundtable will remain an important feature in the calendar for many years to come,

... a recent survey conducted by the University of Pennsylvania has ranked the Asia-Pacific Roundtable as among the top twenty think-tank conferences in the world.

contributing significantly to the discourse on regional and global foreign policy, security and strategic issues.

Today, the role of norms, rules and institutions has become increasingly important in shaping the world in which we live. They provide the necessary balance between moral force and values on the one hand, and brute force and military might on the other, in the conduct of relations and settlement of disputes.

Imagine a world where institutions, rules and norms are ignored, forgotten or cast aside; in which countries with large economies and strong armies dominate, forcing the rest to accept the outcome. This would be a world where, in the words of the Greek historian Thucydides, 'the strong do what they can and the weak suffer what they must'.

Fortunately we do not live in such a world. Our world is one in which institutions, rules and norms are generally developed, nurtured and respected. The 21st century offers hope for stability, peace and prosperity for all. In an interdependent world where the asymmetry of power is less pronounced, big and small countries can compete peacefully in the marketplace of ideas, innovation and trade. This is a world where a nation of some 30 million people, like Malaysia, can be ranked among the top 25 trading nations in the world, number six in terms of ease of doing business and number 12 in terms of attracting investments. And Malaysia's success can be replicated by any country that has the right approach and appropriate policies.

The observance of rules and norms and commitment to institutions do not necessarily negate the concerns that states have about their defence and security. The fact that Asia overtook Europe in arms spending for the first time in history in 2012, and has maintained its upward trajectory since, suggests that military might remains an important factor in regional and global affairs.

The legitimate right of a state to its defence and security has to be recognised. However, it is important for the increases in defence spending and arms build-up in Asia to be embedded within a cooperative and peaceful framework that provides adequate assurances and does not threaten the security of others.

Malaysia and its ASEAN partners have placed much emphasis on building institutions, rules and norms especially in the current ongoing efforts to realise the ASEAN Community. Institutions and rules are the driving force of our efforts to promote greater interdependence and broader and deeper cooperation between and among the nations of this region. It should be recognised that while much has been accomplished, there is still a lot to be done.

... it is important for the increases in defence spending and arms build-up in Asia to be embedded within a cooperative and peaceful framework that provides adequate assurances and does not threaten the security of others.

But I remain confident that we will realise the ASEAN Community. Southeast Asian nations not only want to be independent, strong and economically vibrant, they also seek peace, prosperity and predictability. They want to be respected as friends and partners. They wish to strive for better lives, honour and dignity for their people.

Our aim is to have a region where nations respect each other while observing rules and norms, and where honour and dignity are manifested by peaceful intention, visionary policies and good leadership. We aspire to a region where the strongest guarantees of peace

and prosperity lie in nations working together — not against each other. Institutions and processes such as the ASEAN Regional Forum, the ASEAN Defence Ministers' Meeting, the ASEAN Defence Ministers' Meeting Plus and the East Asia Summit embody our aspirations for, and efforts to build, a stable and peaceful Asia, the Pacific and beyond.

On 1 January 2015, Malaysia will once again undertake the historic responsibility of chairing ASEAN. This honour comes at an important juncture in the organisation's history, with the beckoning of the ASEAN Community. The year 2015 will also mark the 10th anniversary of the East Asia Summit, which had its historical beginnings here in Kuala Lumpur.

When ASEAN leaders met in Bali in 2003 and concluded the Declaration of ASEAN Concord II, they drew on a vision of a united, prosperous and progressive community. We are mindful that there is still a lot of work to be completed. The construction of a community will be an evolving project that will be continued by generations to come. Malaysia will seek to strengthen the necessary foundations during its chairmanship in 2015.

The rule of law must reign supreme. We must hold steadfast to the principles of non-use of force and the peaceful settlement of disputes.

All the efforts exerted by ASEAN and the long-standing support of our dialogue partners and friends will be an exercise in futility if the foundations of the community are constantly placed under stress. Economic cooperation is an important component of the ASEAN community building effort and has received the bulk of attention, particularly from the media. But it is also important for us to make greater progress

in the political-security and sociocultural pillars of the ASEAN Community. The three pillars of the ASEAN Community are mutually supportive of each other. Moving forward in one can only be sustainably achieved through adequate progress being made in respect of the others.

The efforts to build the ASEAN political-security community has to be intensified through the continued promotion of confidence and trust among member states. In this regard, I would like to express Malaysia's strong commitment towards the recent Joint Declaration of the ASEAN Defence Ministers on Defence Cooperation towards a Peaceful and Prosperous ASEAN Community.

This is a significant step forward in strengthening the political-security pillar of the ASEAN Community. Peace, security and stability in this region have been the key prerequisites for rapid economic development among ASEAN member states. It is only with the assurance of peace that it would be possible for this region to attract investments, encourage innovation and create jobs for its peoples. And for peace and stability to prevail, ASEAN would also require the cooperation of others, in particular, its strategic and dialogue partners.

One issue that would feature in any discussion on regional security is the South China Sea. At the recently concluded ASEAN Summit in Naw Pyi Taw, the ASEAN Foreign Ministers issued a statement on the Current Developments in the South China Sea. The statement is a reminder and a call to ASEAN, as much as it is for other engaged parties, on the urgent need to address the issues related to the South China Sea in a measured and calm manner.

The rule of law must reign supreme. We must hold steadfast to the principles of non-use of force and the peaceful settlement of disputes. There should not be any action taken to further aggravate the situation and increase tensions. The ongoing activities relating to the full and

effective implementation of the Declaration of the Conduct of Parties in the South China Sea and the ongoing negotiation for the establishment of the Code of Conduct in the South China Sea are steps in the right direction. These talks need to be concluded in the very near future. I am concerned and deeply worried that measures taken by the engaged parties to affirm their declared rights, no matter how incremental and small they may be, will only serve to complicate matters and this would not be in anyone's interest in the long run.

I am confident that the bonds of friendship that bind us are stronger and more durable than the differences that divide us. We should not stray away from the proven path of dialogue and the peaceful resolution of conflicts. I remain hopeful that good sense will prevail.

The habit of cooperation needs to be maintained and enhanced across a whole range of issues, not just for the purposes of search and rescue.

In the early hours of 8 March 2014, Malaysia Airlines flight MH370 disappeared from the radar screens of Kuala Lumpur Air Traffic Control. Since then, our thoughts and prayers have been with the families and friends of the crew and passengers of the aircraft. I share their anguish and pain.

The disappearance of MH370 has led to the most extensive search operation in aviation history, involving 26 countries. All of them responded swiftly and without hesitation to Malaysia's request for assistance, for which we are deeply grateful.

The breadth and depth of cooperation in the search has been as unprecedented as the disappearance of the aircraft itself. The region's military forces and law enforcement agencies

have exchanged huge amounts of data and information to facilitate the search, even to the extent of releasing sensitive raw data from military radars, thereby putting the search effort above national security priorities.

Never before have we witnessed such intense cooperation between so many countries in this region. Although MH370 has not yet been found — I am confident that we will eventually find it — our joint and coordinated efforts have already shown the value of harnessing the collective strengths of countries in times of need. Such a spirit of cooperation would be equally beneficial to our collective response to other forms of disaster in the future.

The habit of cooperation needs to be maintained and enhanced across a whole range of issues, not just for the purposes of search and rescue. Our common security depends on our ability to work together as closely as we can. The foundation is already laid. It can be further strengthened through the building of institutions, rules and norms within the accepted regional architecture.

Countering the threat of terrorism, for example, requires a great deal of intelligence-sharing and coordination among our security agencies. Almost three weeks ago, the Royal Malaysian Police detained a foreign national believed to be involved in planning terrorist attacks on foreign consulates in India, including the US Consulate General in Chennai.

Information from the Malaysian Special Branch enabled the Indian authorities to detain three suspects believed to be members of the same terrorist network in late April 2014. It was only through the strong and sustained cooperation between the security agencies in Malaysia and India that we managed to foil a series of potentially disastrous terrorist attacks. This incident, once again, highlights the importance of international cooperation.

For the sake of our security, we should stay vigilant against any and all threats.

Malaysia has always held firm in its belief of a nuclear-free world. As we continue to work towards ridding the world of nuclear weapons, we call upon the nuclear-weapon states to accede to the protocol of the Southeast Asia Nuclear-Weapon-Free Zone.

Malaysia is doing its part to prevent the proliferation of weapons of mass destruction through its endorsement of the Proliferation Security Initiative. Malaysia will continue to stand shoulder-to-shoulder with like-minded countries to build a world where our children will not have to live under the dark cloud of the threat of such weapons.

I strongly believe that Asia has a bright future and can indeed live up to its full potential.

But, at the same time, we must continue to earnestly address and resolve issues that may stand in the way of a vibrant, prosperous and peaceful Asia. This conference should be able to contribute important ideas towards meeting that objective.

I am heartened that goodwill remains strong throughout the region. With our collective effort and resources, we can overcome the most difficult and intractable of issues. The region will continue to prosper and progress as long as we remain committed to nurturing and strengthening the bonds of friendship and cooperation among the countries and peoples of the region by observing the rules and norms and institutions that we have developed and built together.



From left: Tan Sri Dato' Seri Mohamed Jawhar Hassan, Tan Sri Rastam Mohd Isa, HRH Samdech Reach Botrei Preah Anoch Norodom Arunrasmy, Dato' Seri Dr Ahmad Zahid Hamidi, Mr Krit Kraichitti, and Dato' Seri Ahmad Kamarulzaman Hj Ahmad Badaruddin

The 28th Asia-Pacific Roundtable

2–4 June 2014, Kuala Lumpur, Malaysia

Programme

DAY 1

2 June 2014

19:30 ARRIVAL OF GUESTS

20:00 – 22:00 **WELCOMING DINNER AND KEYNOTE ADDRESS**

WELCOMING REMARKS

Dr RIZAL Sukma

Chairperson, ASEAN Institutes of Strategic and International Studies (ASEAN-ISIS) & Executive Director, Centre for Strategic and International Studies (CSIS), Indonesia

KEYNOTE ADDRESS AND OFFICIAL OPENING

The Hon Dato' Sri MOHD NAJIB Tun Abdul Razak

Prime Minister of Malaysia

DAY 2

3 June 2014

08:00 – 09:00 REGISTRATION

09:00 – 10:15 **PLENARY SESSION 1**

OPPORTUNITIES AND CHALLENGES IN CONSTRUCTING A PEACEFUL AND PROSPEROUS REGION: A JAPANESE PERSPECTIVE

The christening of the 21st century as the 'Asian century' pays homage to the growing importance and role of Asia as a pillar of global power and wealth. However, the Asian century is not a forgone conclusion, nor is it inevitable. Peace and stability needs to be cultivated, strengthened and sustained for Asia to live up to its promise in scaling new heights of economic achievement and prosperity. How does Japan view the unfolding of the Asian century? How would the Abe Doctrine facilitate an Asian renaissance? What is Japan's role and contribution to regional security?

Moderator:

Tan Sri RASTAM Mohd Isa

Chief Executive, Institute of Strategic and International Studies (ISIS) Malaysia

Speaker:

The Hon Mr Norio MITSUYA

Senior Parliamentary Vice-Minister for Foreign Affairs, Japan

10:15 – 10:45 REFRESHMENTS

10:45 – 12:00 PLENARY SESSION 2

UNDERSTANDING THE 'NEW TYPE' OF MAJOR POWER RELATIONS: WHAT, HOW, WHY?

Establishing a 'new type of relationship between major countries in the 21st century' has become a key plank in China's foreign policy under President Xi Jinping. Yet the concept remains vague and thus subject to disparate interpretations. This session is aimed at exploring the core ideas, assumptions and expectations underlying this initiative. What might be the motivations and objectives behind the call for such a relationship? How would this new type of relationship manifest itself in the conduct of relations between China and the United States? How would this initiative impact relations between those major powers and ASEAN?

Chair:

Prof Dr Paul EVANS

Institute of Asian Research & Liu Institute for Global Issues, The University of British Columbia, Canada

Speakers:

Prof Dr CHEN Dongxiao

President, Shanghai Institutes for International Studies, China

Prof Dr Andrew J NATHAN

Class of 1919 Professor of Political Science, Department of Political Science, Columbia University, USA

Amb Bilahari KAUSIKAN

Ambassador-at-Large and Policy Adviser, Ministry of Foreign Affairs, Singapore

12:00 – 13:45 LUNCH

Hosted by Dr Wilhelm Hofmeister, Director, Regional Programme Political Dialogue Asia, Konrad-Adenauer-Stiftung

13:45 – 15:00 PLENARY SESSION 3

RESETTING SINO-JAPANESE RELATIONS

This forward-looking session will explore the practical steps that China and Japan can take to manage tensions, prevent miscalculations, and promote greater stability in their relationship. What would it take to restore regular high-level contact between Beijing and Tokyo? What realistic measures can the two countries adopt to moderate the intensity of their action-reaction dynamics in the East China Sea? What are the possible roles for regional platforms such as the ARF, the ADMM Plus, the ASEAN Plus Three and the East Asia Summit in helping to reset Sino-Japanese relations? More importantly, is a 'reset' possible?

Chair:

Tan Sri Dato' Seri Mohamed JAWHAR Hassan

Chairman, Institute of Strategic and International Studies (ISIS) Malaysia

Speakers:

Prof Dr YAN Xuotong

Director, Institute of International Studies, Tsinghua University, China

Prof Tomohide MURAI

Chairman, International Relations Programme, National Defence Academy, Japan

Assoc Prof Simon S C TAY

Chairman, Singapore Institute of International Affairs (SIIA) & Faculty of Law, National University of Singapore

15:00 – 15:15 BREAK

15:15 – 16:45 **PLENARY SESSION 4**

FOSTERING PEACE AND MANAGING SECURITY IN THE ASIA PACIFIC

Asia Pacific is at a crossroads. Economic prosperity has markedly improved lives and livelihood across the region, but peace is under pressure. Territorial disputes, competition for energy resources, the incipient major power rivalry and the erosion of strategic trust are threatening to undermine the progress of the Asian century. This session will discuss modalities to dampen and mitigate insecurities and distrust in the region. How can regional countries improve their military deterrence responsibly without causing a significant intensification of the security dilemma in the Asia Pacific? What kinds of restraints should countries adopt in their force development programmes? How can regional countries best adapt to and accommodate the growing military strengths of rising powers? Can security be attained by means other than military might? How does one begin to build trust?

Chair:

Tan Sri RASTAM Mohd Isa

Chief Executive, Institute of Strategic and International Studies (ISIS) Malaysia

Speakers:

Amb Viorel Isticioaia BUDURA

Managing Director for Asia and the Pacific & Chair, Asia-Oceania Working Party (COASI), The European External Action Service (EEAS), The European Union

Maj Gen Jun NAGASHIMA

Cabinet Councillor & Deputy Assistant Chief Cabinet Secretary, National Security Secretariat, Japan

Prof Dr KIM Sung-han

Director, Ilmin International Relations Institute (IIRI), Korea University & former Vice-Minister of Foreign Affairs and Trade, Republic of Korea

Ms Kelly E MAGSAMEN

Acting Assistant Secretary of Defense & Principal Deputy Assistant Secretary of Defense for Asian and Pacific Security Affairs, Department of Defense, USA

16:45 – 17:15 REFRESHMENTS

17:15 – 18:30 **PLENARY SESSION 5**

MYANMAR'S POLITICAL AND ECONOMIC REFORMS

With few precedents for Myanmar's reforms and the context in which they are taking place, the trajectory of the country's political and economic developments remains hard to discern. This session will discuss the progress, challenges as well as the consequences — both

intended and otherwise — of Myanmar's reform process. What are Myanmar's major foreign policy objectives? What significance and impact would Myanmar's chairmanship of ASEAN have on national politics? What have been the dividends from Myanmar's gradual liberalisation of its economy? How has the country sought to manage the relations between its many ethnic groups? What is needed to sustain the momentum behind the country's reforms? What role can ASEAN and its dialogue partners play to assist and support Myanmar's reform agenda?

Chair:

Assoc Prof Simon S C TAY

Chairman, Singapore Institute of International Affairs (SIIA) & Faculty of Law, National University of Singapore

Speakers:

Dr TIN Maung Maung Than

Senior Research Fellow, Institute of South East Asian Studies (ISEAS), Singapore

Dr ZAW Oo

Economic Advisor to the President of Myanmar & Executive Director, Centre for Economic and Social Development at the Myanmar Resource Development Institute

Mr SOE Myint

Founder and Editor-in-Chief, Mizzima Media Group, Myanmar

20:00 – 21:30 DINNER

DAY 3

4 June 2014

09:00 – 10:15 **PLENARY SESSION 6**

ASEAN'S POST-2015 AGENDA: STRENGTHENING AND DEEPENING COMMUNITY-BUILDING

Even beyond the 31 December 2015 target for establishing an ASEAN community, significant scope will remain for the organisation and its member states to strengthen their community-building efforts. This session seeks to identify the steps that ASEAN needs to take to add substance to its nascent community in the medium term after 2015. Do ASEAN member states truly have a common conception of what an ASEAN community should look like? What are the prerequisites for building a deeper and more mature form of community in ASEAN? What should ASEAN's priorities be in the five-year period beyond 2015?

Chair:

HRH Prince Norodom SIRIVUDH

Founding Chairman, The Cambodian Institute for Cooperation and Peace (CICP) & Privy Counselor to His Majesty the King, Cambodia

Speakers:

HE Mr ONG Keng Yong

Singapore High Commissioner to Malaysia & former Secretary-General of ASEAN

Mr Hitoshi TANAKA

Chairman, The JRI Institute for International Strategy & former Deputy Minister for Foreign Affairs, Japan

HE Mr David TAYLOR

New Zealand Ambassador to Indonesia and ASEAN

10:15 – 10:45 REFRESHMENTS

10:45 – 12:00 **PLENARY SESSION 7**

BEYOND TERRITORIALITY: MANAGING THE MARITIME COMMONS IN THE SOUTH CHINA SEA

Conflicting territorial and maritime claims are expected to remain a persistent and uncomfortable fact in the South China Sea. This session will therefore examine how the region — and particularly the claimant states — could address common security challenges in the absence of a resolution to those competing claims. How can a maritime regime be built to promote coordinated efforts in tackling transnational crimes such as piracy and the smuggling of people and goods, as well as threats to the maritime environment, such as overfishing and oil spills? What are the guidelines required to prevent maritime incidents involving civilian enforcement vessels, warships, military aircraft and research vessels in the South China Sea? Are there mechanisms to ensure navigational safety and to coordinate search and rescue (SAR) missions in the area? What are the potential consequences of insufficient cooperation in managing the maritime commons in the South China Sea?

Chair:

Assoc Prof Dr Mely Caballero ANTHONY

Head, Centre for Non-Traditional Security Studies, S Rajaratnam School of International Studies (RSIS), Nanyang Technological University, Singapore & former Director of External Relations, ASEAN Secretariat

Speakers:

Prof Emeritus Dr Carlyle A THAYER

School of Humanities and Social Sciences, University of New South Wales (Canberra) & The Australian Defence Force Academy (ADFA)

Dr Vijay SAKHUJA

Director of Research, Indian Council of World Affairs (ICWA), India

Ms Youna LYONS

Senior Research Fellow, Center for International Law, National University of Singapore

12:00 – 13:45 LUNCH

Hosted by HE Dr Makio Miyagawa, Ambassador of Japan to Malaysia

13:45 – 15:00 **PLENARY SESSION 8**

IS JAPAN BACK?

Apart from gradually breaking away from its two decades of lacklustre economic growth and political instability, Japan has clearly become more forthright in pursuing its national interests. This session is aimed at examining the profound shifts in Japan's domestic and foreign policies. What has been the progress in implementing Prime Minister Shinzo Abe's 'three arrows' for Japan's economic revival? What are the implications of Japan's pledge to be a 'proactive contributor to peace' and a more visible Japan Self-Defence Forces (JSDF), both for the region at large, and for its relations with the United States and China? What are likely to be the main elements of Japan's strategy in Asia in the near term?

Chair:

Prof Dr David A WELCH

CIGI Chair of Global Security, Balsillie Institute of International Affairs, University of Waterloo, Canada

Speakers:

Amb Yoshiji NOGAMI

President, The Japan Institute of International Affairs (JIIA) & former Vice-Minister of Foreign Affairs, Japan

Prof Dr Richard J SAMUELS

Ford International Professor of Political Science & Director, Centre for International Studies, Massachusetts Institute of Technology (MIT), USA

Prof Dr T J PEMPEL

Jack M Forcey Professor of Political Science, Department of Political Science, University of California, Berkeley, USA

15:00 – 15:15 BREAK

15:15 – 16:30 **PLENARY SESSION 9**

THE DYNAMICS OF INDIA'S RISE: NATIONAL IMPERATIVES AND INTERNATIONAL ASPIRATIONS

India's rise as a major power is often treated as a forgone conclusion. Yet, the country continues to face a myriad of economic, social and developmental challenges, which have often been compounded by a byzantine bureaucracy and a complex political system. This session will examine the catalysts for, and obstacles to, India's rise as a major power. How will New Delhi seek to promote sustained, long-term growth for the Indian economy? How will it manage religious and communal relations in the country? What has been the role of India's states in the country's rise? How will India seek to assert its influence in the global arena over the next ten years? How will India utilise its growing military — and particularly naval — power in support of its foreign policy?

Chair:

Tan Sri Dr Mohd MUNIR Abdul Majid

Chairman, Bank Muamalat Malaysia, Board Member, Institute of Strategic and International Studies (ISIS) Malaysia & Visiting Senior Fellow at LSE IDEAS, Malaysia

Speakers:

Dr Manoj JOSHI

Distinguished Fellow, Observer Research Foundation, India

Mr Pramit Pal CHAUDHURI

Foreign Editor, *Hindustan Times*, India

Dr Ian HALL

Senior Fellow & Director of Graduate Studies in International Affairs (GSIA), The Australian National University

16:30 – 17:00 REFRESHMENTS

17:00 – 18:15 **PLENARY SESSION 10**

THE FUTURE OF THAI POLITICS

For almost a decade, the civilian governments of Thailand have faced persistent challenges to their legitimacy. The intense political crisis of the last six months has culminated in Thailand's 19th military coup since 1932. This session will seek to develop a greater understanding of Thailand's political trajectory and its seemingly interminable cycles of political instability. What is the future of Thai democracy? What are the roots of Thailand's political divide? What has been the role of the media and state institutions such as the courts in the lead up to the military coup of 22 May? What is needed to bring greater stability to Thai politics?

Chair:

Prof Emeritus Dr Carol G HERNANDEZ

Founding President & Chief Executive Officer, Institute for Strategic and Development Studies (ISDS), The Philippines

Speakers:

Mr Bunn Nagara

Senior Fellow, Institute of Strategic and International Studies (ISIS) Malaysia

Prof Dr Andrew WALKER

Associate Dean (Education) & Senior Fellow, Department of Political and Social Change, The Australian National University

Mr John J BRANDON

Director, Regional Cooperation Programs & Associate Director of the Washington, DC Office, The Asia Foundation, USA

18:15 **CLOSING REMARKS**

Tan Sri RASTAM Mohd Isa

Chief Executive, Institute of Strategic and International Studies (ISIS) Malaysia



INSTITUTE OF STRATEGIC AND INTERNATIONAL STUDIES (ISIS) MALAYSIA

The Institute of Strategic and International Studies (ISIS) was established on 8 April 1983 as an autonomous, not-for-profit research organisation. ISIS Malaysia has a diverse research focus which includes economics, foreign policy, security studies, nation-building, social policy, technology, innovation and environmental studies. It also undertakes research collaboration with national and international organisations in important areas such as national development and international affairs.

ISIS Malaysia engages actively in Track Two diplomacy, and promotes the exchange of views and opinions at both the national and international levels. The Institute has also played a role in fostering closer regional integration and international cooperation through forums such as the Asia-Pacific Roundtable, the ASEAN Institutes of Strategic and International Studies (ASEAN-ISIS), the Pacific Economic Cooperation Council (PECC) and the Network of East Asian Think-Tanks (NEAT). ISIS is a founding member of the Council for Security Cooperation in the Asia-Pacific (CSCAP) and manages the Council's secretariat.

As Malaysia's premier think-tank, ISIS has been at the forefront of some of the most significant nation-building initiatives in the nation's history. It was a contributor to the Vision 2020 and was consultant to the Knowledge-Based Economy Master Plan initiative.



ASEAN INSTITUTES OF STRATEGIC AND INTERNATIONAL STUDIES (ASEAN-ISIS)

ASEAN-ISIS (ASEAN Institutes of Strategic and International Studies) is a network of non-governmental organisations registered with the Association of Southeast Asian Nations. Formed in 1988, its founding membership comprises the Centre for Strategic and International Studies (CSIS) of Indonesia, the Institute of Strategic and International Studies (ISIS) of Malaysia, the Institute of Strategic and Development Studies (ISDS) of the Philippines, the Singapore Institute of International Affairs (SIIA), and the Institute of Security and International Studies (ISIS) of Thailand. Its purpose is to encourage cooperation and coordination of activities among ASEAN scholars and analysts, and to promote policy-oriented studies and exchanges of information and viewpoints on various strategic and international issues affecting Southeast Asia's and ASEAN's peace, security and well-being.

ASEAN-ISIS is comprised of the region's leading think tanks: CSIS Indonesia, ISIS Malaysia, ISDS (Philippines), SIIA (Singapore), ISIS Thailand, Brunei Darussalam Institute of Policy and Strategic Studies (BDIPSS), Cambodian Institute for Cooperation and Peace (CICP), the Diplomatic Academy of Vietnam (DAV), Institute of Foreign Affairs (IFA) of the Lao People's Democratic Republic, and the Myanmar Institute of Strategic and International Studies (MISIS).



New Zealand values its long-standing partnerships in the Asia Pacific, a fast-growing and dynamic region in which New Zealand will continue to play an active and substantial role. New Zealand connects with the region through political and security ties, economic relationships and people-to-people links. In addition to further leveraging our Free Trade Agreements with China and with ASEAN, FTA negotiations with India, Russia and Korea continue. New Zealand's relationship with the ASEAN grouping remains central to our diplomacy in the Asia Pacific and a new 'NZ Inc' ASEAN strategy in 2013 will underpin our engagement.

The global economic crisis highlights the need for active participation by all players in the regional architecture, which also includes the East Asia Summit. New Zealand supports efforts towards regional integration through both ASEAN and APEC processes, as well as advancing the Trans Pacific Partnership (TPP) and Regional Comprehensive Economic Partnership (RCEP) negotiations. We welcome this opportunity to sponsor the 28th Asia-Pacific Roundtable.



Embassy of Japan in
Kuala Lumpur

Over the last decade, regional cooperation in East Asia has grown and integration has intensified, though challenges and apprehensions remain. Asia is now at the heart of world affairs. It is standing at a crossroad. As a longstanding contributor to the Asia-Pacific Roundtable, the Embassy of Japan recognises the pivotal role of the conference in shaping the discourse on Asia's future security challenges.



US Department of State

During President Obama's visit to Malaysia from 26–28 April 2014, the President and Prime Minister Najib agreed to elevate the US-Malaysia relationship to a Comprehensive Partnership. Expanded ties in Southeast Asia, including Malaysia, are an important part of the US rebalance to Asia. Begun by President Obama in 2009, the rebalance focuses on strengthening our alliances, building up the regional architecture, and engaging with emerging powers. As President Obama noted, by virtue of its geography, Malaysia is central to regional stability, maritime security and freedom of navigation. It is, therefore, fitting that Malaysia is host to the Asia-Pacific Roundtable, and we are proud to support this effort to increase dialogue and exchange ideas about the future of the region and how to work with our partners to increase prosperity and maintain regional security.



Photo Gallery





INSTITUTE OF STRATEGIC AND INTERNATIONAL STUDIES (ISIS) MALAYSIA

**No. 1, Persiaran Sultan Salahuddin
PO Box 12424, 50778 Kuala Lumpur
Malaysia**

Tel : +603 2693 9366

Fax : +603 2691 5435

Email : info@isis.org.my

Website : www.isis.org.my

