

**ROYAL ADDRESS  
BY  
HIS ROYAL HIGHNESS  
SULTAN NAZRIN MUIZZUDDIN SHAH**

**AT THE  
SEMINAR AND BOOK LAUNCH  
“ASEAN FutureForward  
ANTICIPATING THE NEXT 50 YEARS”**

**DATE: 28<sup>th</sup> AUGUST 2017 (MONDAY) TIME: 10.30 AM  
VENUE: SHERATON IMPERIAL, KUALA LUMPUR**

*“Five Mega Challenges ASEAN Faces in the Coming 50 Years”*

Bismillahirrahmanirrahim,  
Assalamualaikum warrahmatullahi wabarakatuh,

1. It is a great pleasure for me to have been invited this morning to share some thoughts on ASEAN and to officially launch the book entitled “ASEAN *FutureForward* ANTICIPATING THE NEXT 50 YEARS” published by the Institute of Strategic and International Studies Malaysia. I am always happy to be involved in ASEAN matters because I believe in ASEAN and regionalism. I believe in the ASEAN Community. I believe in its goals, values and principles, and in the great contribution it has made towards peace, stability and prosperity in the region. And it is my deepest hope that ASEAN will continue to play this role well into the future, for the benefit of our children and for theirs as well.

2. I can really think of no better way to celebrate ASEAN's Golden Jubilee than by spending time thinking about its next 50 years. The word used in the book is “anticipation”. Rather than trying to predict the future, the premise of anticipation is that the more we think and discuss ASEAN's future, especially in a volatile and uncertain environment, the more likely we are able to react appropriately and positively.

3. Today, I would like to share with you five mega challenges that I feel the ASEAN Community is facing and will continue to face in the years ahead. I want to do so with some frankness so that we are not so carried away in self-congratulations that we fail to see the practical obstacles and challenges that lie before us.

4. The first challenge is that of keeping peace at the centre of ASEAN's purpose. As I see it, this first challenge is one that has always confronted ASEAN and its Member States. It will continue to do so in the future. After five decades, it is easy to forget what brought us together in the first place. That purpose was not economic, crucial though it

was then, remains so now, and will be in the future. That purpose was not social, although ASEAN was, is and will be vital in breaking down the walls of ignorance about each other and replacing them with strong bonds of friendship among the peoples of Southeast Asia. These were but the means chosen to achieve the end state of a region of peace and stability.

5. Why is peace so important for ASEAN in this day and age? Peace and its concomitant, security, can never be taken for granted. The Treaty of Amity and Cooperation in Southeast Asia recognises this. It is stated there that the purpose of the Treaty is to “promote perpetual peace, everlasting amity and cooperation among the people of Southeast Asia.” The ASEAN Charter echoes this, wherein it is stated that ASEAN is united by a “common desire and collective will to live in a region of lasting peace, security and stability.” These words, “perpetual”, “everlasting” and “lasting”, remind us that peace and security must continually be sought after.

6. The ASEAN Community today is defined by its three pillars: Political-Security, Economic and Socio-Cultural. It is, however, peace and security that is and must be the overarching prerogative. I believe that nothing else can replace the core rationale for ASEAN unity and coherence. Nothing else has the powerful traction and motivation to drive our actions into the future.

7. ASEAN's past 50 years may have been generally peaceful. But let us not forget that ASEAN was born in an era of regional conflict and internal strife, and it had to negotiate a path strewn with considerable tensions and regional flashpoints. Witness, for example, the Thai-Cambodian armed dispute in 2008 over the Preah Vihear temple in which lives were lost. Competition over resources has occurred and will likely continue in the future. The South China Sea disputes and the transboundary haze problem are examples of how ASEAN has to cope with issues that could create tension and division.

8. It is absolutely true that there is little appetite for conflict among ASEAN Member States. It is also true that whenever potential conflicts arise, parties do the right thing and renew their commitment to dialogue and negotiation. But countries can, and often do, push the edge of the envelope in pursuit of their national interests. ASEAN is a pluralistic security community where each Member State is a sovereign entity, capable of charting its own course, making its own decisions and determining its own outcomes. Cooperation and integration make these courses, decisions and outcomes more aligned and compatible but there remains considerable scope for disagreements. In the great game of Southeast Asian peace building, we cannot afford to get it wrong. We must be right every single time.

9. In each of our countries, there are those who believe that they can move further, and do things better and faster by putting their interests ahead of the group. Forgetting that the common purpose of the ASEAN Community is peace and security building can cause Member States to chance their arms, so to speak, and to adopt

approaches that can ultimately undermine unity and regional cohesion. ASEAN needs to keep its eyes firmly focused on the True North of peace and security.

10. I now move to the second challenge. There is an equally great, if somewhat more controversial, aspect that Member States need to pay utmost heed to, and that is maintaining ASEAN's freedom, neutrality and centrality. This is especially so in a time of renewed geopolitical competition in the region. ASEAN's acceptance by all parties, and its centrality – largely demonstrated by its power to convene and act as a hub of cooperation and integration initiatives in Southeast Asia and the larger East Asian region – hinge on its ability to remain free and neutral. There is virtually no statesman of any worth, past or present, who has argued that ASEAN can or should dispense with its neutrality. This was the spirit of ZOPFAN, which the five founding members of ASEAN subscribed to.

11. Admittedly, neutrality is a highly politicised term these days. In many ways, the discussion surrounding neutrality has been muddled, to say the least. But unless there are full-blooded efforts by its leaders to strive for neutrality, it is almost inevitable that ASEAN will eventually drift off-course into the orbit of superpowers. On this, some claim that ASEAN is already drifting off-course.

12. ASEAN's failure to issue joint ministerial statements, for the first time in its history in 2012, and then again last year, seems to bear evidence of this. These failures are seen as examples of external parties exerting their influence on the ASEAN decision-making process. Other critics contend that ASEAN is "too neutral" and that by not taking sides, ASEAN plays into the hands of rising powers such as China who are seeking to rewrite the regional rule book.

13. In short, neutrality is being interpreted to suit particular worldviews. When ASEAN was established, neutrality was clearly cast in the context of Cold War superpower rivalry and the then ongoing war in continental Southeast Asia. The 1967 Bangkok Declaration pledged that the five ASEAN Member States will "ensure their stability and security from external interference in any form or manifestation". This was reiterated in ASEAN's Declaration on the Zone of Peace, Freedom and Neutrality (ZOPFAN) adopted in 1971. Another important aspect of neutrality was that ASEAN would not ally itself with one superpower to the detriment of another.

14. Neutrality could serve the purpose of according Member States the freedom to actively express themselves and act on issues of regional importance. They can best do this by engaging all stakeholders in a balanced and equitable manner, and not be unduly influenced by any of them. ASEAN must be adept at accommodating the legitimate interests of superpowers and other major powers, and be able to avoid being dragged into situations of major power competition and rivalry.

15. ASEAN would also do well to continually impress on dominant powers that it is in their interests that ASEAN neutrality and centrality be respected. ASEAN's role as a safe harbour or regional commons for otherwise contending parties is critical, and

ASEAN must step up to the plate to assume its responsibilities as a pivotal global and regional player.

16. The third challenge is that of remaining open, moderate and inclusive. ASEAN has wisely kept itself open to the world. ASEAN is where it is today not due to isolationism, but to the courage and leadership of its former and current leaders who have fully embraced globalisation. ASEAN would not survive, let alone thrive, in today's world if its leaders and people are not open and welcoming of positive external influences that blend well with regional norms and values.

17. It would be remiss, however, not to note that the populist backlash against globalisation is also present in ASEAN. To some, whereas globalisation once could do no wrong, today it would appear that it can do no right. On the economic front, globalisation has brought with it not only blessings but also its curses, on trade and financial liberalisation, on technology and capital, on employment and wages, and on standards of living and quality of life. As we know, the debate is still ongoing.

18. Owing to this and other factors, one can witness in ASEAN Member States growing social divisions -- between those with liberal and conservative values, between urban elites and rural masses, and between older baby-boomers and younger millennials. Feelings of disenfranchisement abound across classes that are being felt in the political sphere. Identity and religious politics are resurgent in many parts of the world, including within the West itself, and also in ASEAN.

19. Identity and religious politics are dangerous at the best of times, and it is truly worrying to see them take hold among segments of ASEAN's citizens. Capitalising on psychological and spiritual unfulfillment and dissatisfaction, extreme and extremist views of just about every stripe and colour have taken hold even here in ASEAN. Terrorism, though still far from prevalent, operates from the shadows and threatens to undermine the role of states and their institutions. Developments in the Southern Philippines is a case in point.

20. ASEAN's aspirations to be 'people-oriented' is thus more than just a good idea; it is also a political-security imperative that must be doubled and redoubled if the Community is to remain open, moderate and inclusive. Faced with all these challenges, ASEAN governments would do well to remind themselves of their responsibility to remain on the path of openness, integration, and globalisation. The mettle of political leaderships in ASEAN will be tested now and in years to come, and for them to opt for short-sighted, isolationist options would not only mean failure for one Member State, but for all of ASEAN's regionalisation agenda.

21. This naturally leads to the fourth mega challenge facing ASEAN. To be truly people-oriented and people-centred, ASEAN needs to prioritise the achievement of the United Nation's Sustainable Development Goals (SDG). I am aware that ASEAN is already taking steps to coordinate the achievement of the three Community Blueprints with the SDGs within the framework of ASEAN-UN cooperation. In view of the gravity

and urgency of ensuring the relevance of ASEAN's efforts to its people, however, I believe that more has to be tangibly done and with greater urgency.

22. The renewed commitment by ASEAN to address the issue of climate change in the Paris Agreement and the adoption of various action plans is to be warmly welcomed. All ten ASEAN member states are parties to the Paris Agreement, and have deposited their nationally determined contributions for the reduction of greenhouse gasses. ASEAN needs to move with the rest of the international community despite the United States' withdrawal from the Paris Agreement.

23. The problem of climate change is important for all ASEAN Member States. Given that the effects of climate change are long-term and slow-acting, mustering the political will to abide by this commitment will always be challenging. Nevertheless, the strong stand that ASEAN has taken on the matter is to be commended.

24. Action on climate change may have the highest international profile of the 17 SDGs, but others are equally impactful. The eradication of poverty and hunger, and ensuring the good health and well-being of the people are important goals which, I am sure, are being attended to. The Initiative for ASEAN Integration (IAI), which is designed to assist the lesser developed ASEAN Member States to realise the goals of the ASEAN Community, is now in its third plan. Looking to the future, ASEAN needs to demonstrate greater interest towards the IAI commensurate with the efforts put in by ASEAN's dialogue partners.

25. In addressing the SDGs, ASEAN governments need to temper their 'economic growth-at-any-cost' attitude and adopt more holistic and inclusive approaches. Lack of attention to inclusivity can accentuate social polarisation resulting in political backlashes that could eventually weaken the dynamism and resilience of Member States. It is not enough to talk about being inclusive; it is imperative to be inclusive.

26. The last mega challenge that I would like to mention is that of innovation and relevance. ASEAN needs to be innovative and relevant, especially for the generations to come. ASEAN leaders need to be cognizant of the tremendous changes occurring on a global scale. ASEAN has to be sensitive to these changes and be able to adapt to them. ASEAN needs to keep envisioning, reimagining and innovating in order to remain relevant, address challenges, and to meet new expectations.

27. On the political-security front, it is pleasing to note that ASEAN Member States have come such a long way that they are now able to discuss and carry out joint projects in the defence arena among themselves, with dialogue partner countries, and in the Plus Eight meetings. Defence cooperation is one of the last frontiers of regional cooperation and it is testimony to its maturity that ASEAN can proceed down this path.

28. On the economic front, the Fourth Industrial Revolution promises to unleash technologies that will not just disrupt, but transform mankind. ASEAN cannot afford to continue to be bound to the traditional bricks-and-mortar economy and ignore

developments in robotics, Artificial Intelligence, biotechnology, computing and materials science. ASEAN Member States must ensure that their citizens are upskilled, or reskilled based on the needs of the future.

29. On the socio-cultural front, it is crucial that ASEAN propagate an identity that the peoples of Southeast Asia can closely relate to and would be proud of. ASEAN today has a predominantly young population, one that is free of the ghosts of past conflicts and regional tensions. This new generation of Southeast Asians do not identify with the tumultuous early days of ASEAN. Feelings forged out of the crucible of conflict carry little meaning to this generation, and the creation of a common identity will underpin future ASEAN regionalisation. This in turn will put in place broader and longer term regional interests that will complement national agendas.

30. There are no easy answers to these five challenges. But I am confident that Member States will rise to the occasion.

31. Finally, I offer my congratulations to Tan Sri Rastam Mohd Isa, Chairman and Chief Executive of the Institute of Strategic and International Studies Malaysia, his hardworking team, and to all the contributors of this publication for the publication. It gives me great pleasure to launch the book “ASEAN *FutureForward* ANTICIPATING THE NEXT 50 YEARS”.

Thank you.