Economic and Security Interests in Southeast Asia

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Abstract: Despite worries that ASEAN is becoming weak, the organization remains as strong as it ever was, given the parameters of its design. Its member countries still tightly embrace the organization's principles, the "ASEAN way." But simple adherence to those principles can be problematic. ASEAN countries, whose national economic and political interests collide, often appeal to the same principles to back their positions. That tends to pull ASEAN in different directions. Great power policies, particularly those of China and the United States, now exacerbate the situation. At the same time, ASEAN's reliance on multilateral consensus has made it difficult to reconcile real differences among its member countries or develop unified regional responses. That can be seen in issues from the Xayaburi dam on the Mekong River to the South China Sea. The ease with which ASEAN's principles can come into conflict and its consensus-driven decision-making can become deadlocked clearly marks the limits of the "ASEAN way."

When the foreign ministers of Indonesia, Malaysia, the Philippines, Singapore, and Thailand met in Bangkok on August 8, 1967, they had good reason to be concerned about their region. During the 1950s and 1960s, many international and civil conflicts had swept through Southeast Asia, impacting all of these countries to one degree or another. On that day, their foreign ministers gathered to sign a document that would become known as the Bangkok Declaration, founding the Association of Southeast Asian Nations (ASEAN).

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In 1967, the region's security situation was tenuous. Indonesia's four-year armed confrontation (*konfrontasi)* against Malaysia and Singapore had just wound down. During that struggle, Indonesia—opposed to the formation of Malaysia from the union of peninsular Malaya, Singapore, and the Borneo states of Sabah and Sarawak—sent its army to infiltrate and destabilize the new country. Ultimately, a succession of coups within Indonesia toppled its government and brought an end to its *konfrontasi* policy. But that did not mean that Malaysia and Singapore could rest easy. The Philippines still claimed Sabah, and both felt abandoned by the United Kingdom, which had withdrawn its military forces east of Suez, undermining its security guarantees to them under the Anglo-Malaysian Defense Agreement.[1] Adding to their unease were their lingering suspicions about each other. Tensions between Malaysia and Singapore over the former's preferential policies favoring the ethnic Malays (*bumiputera)* had earlier fuelled violent ethnic clashes and eventually contributed to Singapore's ouster from Malaysia in 1965.[2]

Even more troubling for these five Southeast Asian countries were the various communist insurgencies that had sprouted across the region. Both Malaysia and the Philippines had fought (and, in the latter case, would fight again) communist guerrillas within their borders. Meanwhile, Thailand faced a growing external threat on its eastern border, where Soviet and North Vietnamese-backed guerrillas threatened the governments of neighboring Cambodia and Laos. And slightly further to the east, the long-running conflict between North and South Vietnam had entered into an even more intense phase with the large-scale introduction of American ground forces.

ASEAN Principles

It was against this dismal backdrop, that ASEAN was founded. Through this new organization, the leaders of ASEAN's countries hoped to create greater regional stability that would permit them to consolidate their power and begin building their nations. For beyond their security concerns, they faced the daunting tasks of setting up new national governments, pushing through economic reforms, and helping their societies cope with rapid changes in age-old political and social orders. Accordingly, they came to believe that their best chance to achieve that hoped-for stability was to set aside their differences and accentuate what they had in common: an interest in economic development.

But Southeast Asian countries realized that even if they could set aside all their differences, they would still be unable to fully resolve the region's conflicts,

[1] The Five Powers Defense Arrangements (FPDA) essentially replaced the Anglo-Malaysian Defense Agreement in 1971. The FPDA brought together Australia, Malaysia, New Zealand, Singapore, and the United Kingdom to offer its two Southeast Asian members some protection, while they built up their armed forces. Not a mutual defense alliance, the FPDA pledged its members to "consult" with one another in the event of an attack on peninsular Malaysia (Sabah and Sarawak were excluded) or Singapore.
[2] Thomas Sowell, *Affirmative Action Around the World: An Empirical Study* (New Haven: Yale University Press, 2004), pp. 55-77.