

Southeast Asia's Role in Geopolitics

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Over the past decade, Southeast Asia's economic and geopolitical profile in the world has risen dramatically. Its US\$2.5 trillion economy is a rare bright spot for global growth. In global international relations, it has assumed a remarkable degree of centrality due to the increasingly integrated Association of Southeast Asian Nations' (ASEAN) success in becoming the hub of the emerging regional security architecture of the Asia-Pacific. However, the region has also become a nexus for a range of transnational threats, ranging from trafficking in illicit goods to extreme weather events that are the direct result of climate change. Yet the region's vital sea lanes have only grown more important, with more than half of the world's merchant tonnage and one-third of global maritime traffic transiting the region every day on their journey from the Persian Gulf and Indian Ocean to the economic powerhouses of Northeast Asia.³⁸

The world has taken note of the opportunities presented by increased involvement in Southeast Asian affairs, as well as the challenges the region faces. Governments and multinational companies across the world are ramping up engagement with the region bilaterally with individual countries and multilaterally with ASEAN.³⁹ Southeast Asian countries wholeheartedly welcome this global interest for both economic and strategic reasons.

Economically, despite the region's promise, all but Singapore and Brunei are developing countries, making foreign investment important for continuing their upward trajectories. Most critically, Southeast Asia faces a multitrillion-dollar infrastructure gap that constrains economic growth and perpetuates inequalities, within countries and regionally.⁴⁰ With indigenous capital and even the commitments of international development banks unable to meet demand on this scale, investments by outside powers are essential for the region to achieve its potential.

Strategically, Southeast Asian countries welcome engagement by a wide range of outside powers to ensure that the region's partnerships are highly diversified – thereby carefully working to ward off potential challenges such as overwhelming Chinese influence. As a grouping of small countries with modest military and economic power, robust partnerships with a range of actors ensure that no single regional or outside power can dominate regional

³⁸ Robert D. Kaplan, "Why the South China Sea is So Crucial." *The Business Insider* (20 February 2015), <https://www.businessinsider.com.au/why-the-south-china-sea-is-so-crucial-2015-2> Accessed 11 August 2017.

³⁹ J.P. Morgan, "ASEAN's Bright Future: Growth Opportunities for Corporates in the ASEAN Region," (2014), <https://www.jpmorgan.com/country/US/EN/cib/investment-banking/trade-asean-future> Accessed 11 August 2017.

⁴⁰ Diaan-yi Lin, "How Can Southeast Asia Close its Infrastructure Gap." *World Economic Forum on East Asia* (2015), <https://www.weforum.org/agenda/2015/04/how-can-south-east-asia-close-its-infrastructure-gap/> Accessed 11 August 2017.

affairs. In essence, the region prefers a multipolar balance of power—or in Indonesian parlance, a dynamic equilibrium.⁴¹ However, Southeast Asian states also seek to insulate the region from excessive competition among suiters when possible.

ASEAN-centric regionalism

ASEAN's most important tool for shaping outside powers' engagement with Southeast Asia is through its position as the hub of the broader region's premier political-security forums, principally the East Asia Summit (EAS), the ASEAN Regional Forum (ARF), and the ASEAN Defence Ministers Meeting-Plus (ADMM-Plus). ASEAN has been successful in using this role to set the agenda for regionalism and to inculcate ASEAN norms to its partners, including the principle of ASEAN centrality. And, rather than the region's bodies being dominated by Beijing, Tokyo, Delhi, or Washington, each year the rotating ASEAN Chair assumes leadership in all these fora, with the major powers descending on Southeast Asia, rather than the other way around. It is through these that ASEAN member states play their important roles in the geopolitics of the Asia-Pacific region.

However, despite ASEAN's success in creating structures that bring the entire region together on its terms, these institutions have not achieved their potential, which poses a risk for their future relevance. One of the major built-in weaknesses of ASEAN-based institutions is their organizational basis: ASEAN itself. While each year the Chair of ASEAN plays the lead role in setting the agendas for the various organizations, ASEAN protocol requires collective decision making and ASEAN consensus to develop those, especially on controversial issues.⁴² ASEAN countries work hard to present a unified position even if there are internal disagreements. This arrangement works precisely because it removes what would inevitably be a contentious question of which country sets the agenda. However, it also limits the ability of ASEAN-centered institutions to develop into robust, effective organizations for tackling difficult issues that require ASEAN to go up against bigger countries in the region because members fear harming their relations with dialogue partners.⁴³ ASEAN centrality is therefore key both to the widespread acceptance of the regional institutions, as well as their inefficacy.

Divergent priorities

These ASEAN-based organizations suffer from divergent priorities among their members, which is compounded by ASEAN's consensus-based approach. For the United States, stated goals for ASEAN engagement focus on advancing economic growth, cooperating on transnational threats, expanding maritime cooperation, developing

⁴¹ Dewi Fortuna Anwar, "Indonesia's foreign relations: policy shaped by the ideal of 'dynamic equilibrium,'" *East Asia Forum* (4 February 2014), <http://www.eastasiaforum.org/2014/02/04/indonesias-foreign-relations-policy-shaped-by-the-ideal-of-dynamic-equilibrium/> Accessed 11 August 2017.

⁴² ASEAN, *ASEAN Charter*. 2007, <http://asean.org/wp-content/uploads/images/archive/publications/ASEAN-Charter.pdf> Accessed 11 August 2017.

⁴³ Le Hong Hiep, "Consensus rule blunts ASEAN's effectiveness," *The Japan Times* (6 November 2016), <http://www.japantimes.co.jp/opinion/2016/11/06/commentary/world-commentary/consensus-rule-blunts-aseans-effectiveness/#.WY3fb3fyicY> Accessed 11 August 2017.

emerging leaders including through the Young Southeast Asian Leaders Initiative, and promoting gender equality for women in ASEAN.⁴⁴ However, more fundamentally, the US engagement in regional institutions can be described as follows: (1) establish and strengthen rules and norms of the current international order as the foundation for solving regional problems; (2) improve relations with the countries of Southeast Asia; (3) bring China into this collaborative, rules-driven process of tackling shared challenges; and (4) ensure that Washington is a part of regional discussions of key security issues to protect its interests. For the US, strengthening ASEAN-based institutions is central to the goal of promoting a rules-based order in the Asia-Pacific: simply put, despite its flaws, ASEAN is the only practical driver of regionalism given that the region's largest powers could never be consensus leaders.

China meanwhile has officially claimed to interact with Southeast Asian counterparts in accordance with its 2+7 Cooperation Framework, which covers security, economic, and development issues.⁴⁵ But, whether in its ASEAN+1 summits with the bloc's leaders, ASEAN+3, or EAS contexts, China's primary focus across the board in regional institutions is to advance cooperation on development, finance, and trade. China's focus in the EAS over the last five years, for example, has been on implementing the "Phnom Penh Declaration on the EAS Development Initiative," which concentrated on advancing cooperation on a wide variety of development issues. At the same time, China tries to avoid discussions of hard security issues, especially the South China Sea disputes, in multilateral settings, and focuses instead on promoting non-traditional security, economic, and development cooperation, which are the elements of China's enhanced engagement in the region that Southeast Asian countries broadly welcome.⁴⁶ China also recognizes that its approach to some security issues can be divisive and seeks to direct its energy on issues on which it need not be defensive.

US allies share most of Washington's approach to regional institutions—including a strong desire for robust American engagement—though the opinions vary from country to country. Japan is the most vocal about proactively pushing the wider ASEAN institutions, such as ARF and the expanded EAS, as mechanisms that may encourage China to play a constructive regional role –and dilute its growing influence. Australia and the Republic of Korea (ROK) largely share similar views about focusing discussions on key security issues. In particular, Seoul is usually focused primarily on addressing North Korea in all fora—as is natural, given that North Korea represents an existential threat to the ROK.

A major distinction between the US and its allies is that American partners want to use

⁴⁴ US Mission to ASEAN, "U.S. – ASEAN Brochure," (2015), <https://asean.usmission.gov/our-relationship/policy-history/embassy-fact-sheets/> Accessed 11 August 2017.

⁴⁵ State Council – People's Republic of China. "Take China-ASEAN relations to a new height." *Remarks by H.E. Li Keqiang, Premier of the State Council of the People's Republic of China, at the 17th ASEAN-China Summit, Nay Pyi Taw, Myanmar* (13 November 2014), http://english.gov.cn/premier/speeches/2014/11/15/content_281475010415762.htm Accessed 11 August 2017).

⁴⁶ Manuel Mogato, "ASEAN gives Beijing a pass on South China Sea dispute, cites 'improving cooperation'," *Reuters* (29 April 2017), <http://www.reuters.com/article/us-asean-summit-idUSKBN-17W02E>. Accessed 29 April 2017.

these ASEAN institutions to address regional economic and development issues in addition to security, a point on which Washington does not generally agree. However, the US and these allies do not disagree that the primary focus of institutions such as the EAS should be the highly strategic challenges.

ASEAN's role in regional institutions is perhaps the most pivotal, as it sets the agenda for the region's main multilateral security institutions. From its founding days, ASEAN's primary goals have been regional peace and prosperity: to band together as a means to prevent outside powers from meddling in its internal affairs and to force external powers to consider Southeast Asian goals and needs when making decisions on regional policies. Most of ASEAN's attention now, as in the past, is focused on promoting economic growth, which often means it does not see eye to eye with the US and its allies on how to best utilize these fora.

Today, ASEAN sits in an awkward position: It is stuck between its desire to play a leadership role in the region and beyond, and the increasing, and often competing, demands by dialogue partners. As the pressure on ASEAN from dialogue partners mounts, fissures within ASEAN over how to approach the broader regional institutions are expanding. These dynamics are predominantly shaped by some member states' willingness to risk China's ire by providing a platform for discussion of issues such as the South China Sea disputes.

The end result of these internal ASEAN dynamics is usually a middle-of-the-road path as ASEAN tries to balance both internal divisions and external relationships.⁴⁷ There are, however, a few things that are usually reflected in ASEAN's approach in its engagements with the dialogue partners: encouraging the US and China to work together; ensuring that ASEAN does not get stuck between competing demands by both superpowers; and maintaining ASEAN's central role in charge of the regional institutions, agendas, and decision-making processes. ASEAN member states also universally prefer to see existing ASEAN-centric institutions flourish rather than creating new Pan-Asian institutions or join the alternative ones actively promoted by Beijing.

Implications for Canada

Southeast Asian countries' eagerness for robust partnerships with a multitude of outside partners –both individually and collectively– means that Canada's involvement is warmly welcomed. And with a stable, relatively harmonious region, Canada's engagement is straightforward. Canada need not be overly concerned about how its activities in the region will be perceived by others either, as there exist no significant internal rivalries within ASEAN. Simply put, if Canada has something to offer in its partnerships with countries with the region –from environmental capacity-building assistance to manufacturing investment to maritime security cooperation– it will be welcomed no matter what.

⁴⁷ Atena S. Feraru, "ASEAN Decision-Making Process: Before and After the ASEAN Charter," *Asian Development Bank Policy Review* (2015) 4(1): 26-41, [http://www.aessweb.com/pdf-files/ADPR-2016-4\(1\)-26-41.pdf](http://www.aessweb.com/pdf-files/ADPR-2016-4(1)-26-41.pdf) Accessed 11 August 2017.

Canada's challenge, however, will be to build deeper institutional ties with ASEAN-centered institutions beyond its existing membership in the ARF, as neither ASEAN nor dialogue partners are eager for additional membership in the EAS or ADMM-Plus.⁴⁸ This opposition comes from at least three different factors: (1) EAS and ADMM-Plus members seek to keep these fora lean so that they do not become unwieldy, which also augurs against EU membership. While the US might ideally favor membership for both, inclusion is generally seen to be unpractical due to regional opposition; (2) opposition from China, who would see Canadian membership as tilting these institutions more toward the US point of view; and (3) opposition from Southeast Asian countries who want China to be invested in these institutions and fear that Canadian membership would cause Beijing to write these organizations off as overwhelmingly US-oriented.

With membership in fora beyond the ARF likely precluded for the near-term, Canada's options to more deeply involve itself in the geopolitics of Southeast Asia are limited. However, two options stand out as avenues for deeper involvement at the official level: (1) working closely with the US and other partners before major meetings to make sure Canada's interests are known; and (2) working as a leader and reformer within the ARF to demonstrate how Canada's membership in such initiatives is positive for all sides. At the unofficial level, robust Canadian participation in the constellation of Track 2 diplomacy is also important to signal Canada's importance as a Pacific Power, such as regular attendance at the Shangri-La Dialogue and through the Center for Security Cooperation in the Asia Pacific.

Conclusion

Southeast Asia's role in geopolitics is set to expand over the coming decades as the broader Asia-Pacific region becomes a larger focus of geopolitics. While ASEAN-based institutions will continue to be a key component of regional politics, bilateral engagement with rising powers such as Indonesia, Vietnam, and the Philippines will also rise in importance, partly due to the unlikelihood of ASEAN becoming an entity able of solving major regional problems. In any case, the region is eager—and will remain eager—for deeper involvement by outside, benevolent powers seeking mutually beneficial relations with the region. On this count, Canada is well-positioned.

⁴⁸ The current membership of the EAS and the ADMM-Plus consists of the 10 ASEAN member states, China, Japan and South Korea (ASEAN Plus Three countries), as well as Australia, New Zealand, India, the US and Russia.