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Still in the “Drivers’ Seat”, But for How Long? ASEAN’s Capacity for Leadership in East-Asian International Relations

Lee Jones

Abstract: This paper assesses the capacity of the Association of Southeast Asian Nations (ASEAN) to moderate great-power relations in East Asia, especially in light of recent regional developments that have challenged ASEAN’s traditional modus operandi and its corporate cohesion. The first of three sections argues that capacity emerges not from institutional arrangements but rather the social relationships that give rise to particular institutions, and therefore can only be understood relationally. A number of key relationships are highlighted and explored in the rest of the paper. First, the relationships among regional great powers, which are considered in section two. Second, the relationships among ASEAN states, and between ASEAN states and their own societies, which are considered in section three. The paper’s basic argument is that the first set of relationships is essentially what gives ASEAN its capacity to play a wider regional role. However, it also sets profound constraints for what this role can involve in practical terms. The second set of relationships also creates serious and deep constraints that are often not well understood. However, despite the serious limitations on ASEAN’s leadership role, unless the first set of relationships change, this role is likely to continue, regardless of how frustrating or ineffectual it might be.

Keywords: ASEAN, East Asia, ASEAN Regional Forum, international relations, regionalism, great powers, institutions, capacity

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1 How (Not) to Think about ASEAN Capacity

In assessing ASEAN's role in great power relations in Asia it is unhelpful to adopt an institutionalist view of ASEAN as a regional organisation imbued with particular 'capacities'. People often speak of 'ASEAN doing x', but this hardly ever means 'ASEAN *the institution*', but rather something like 'some combination of one or more (but virtually never all) ASEAN states, acting on the basis of a more-or-less substantive agreement among the rest doing x'. This is because ASEAN is so thin in formal institutional terms that, *qua* institution, it simply *cannot* act. The ASEAN Secretariat is staffed by only 243 over-stretched individuals and operates on an annual budget of only 9,050,000 USD. This tiny bureaucracy confronts a population of 600 million Southeast Asians with a combined GDP of 1 trillion USD (Termsak Chalermpananupap 2009: 96, 122). As an institution, ASEAN is simply incapable of doing much more than facilitating and servicing the 700-plus meetings held under ASEAN auspices each year. The ASEAN Regional Forum (ARF), the main institution through which the Association seeks to moderate great-power relations in the wider region, is staffed by only a handful of people in a specialist unit within the Secretariat. They can do little more than serve as a repository of documents and manage a database/ registry of agreements. There is only one individual, working part-time, to monitor compliance with ASEAN agreements, let alone enforce them.¹ Many of the other so-called institutions of Southeast Asian regionalism exist only on paper, such as the ASEAN High Council referred to in the 1976 Treaty of Amity and Cooperation as a conflict-resolution mechanism, which has never been assembled.

The Association's capacity to play a significant international role does not, therefore, stem from its institutional makeup, but rather from a number of key relationships. Capacity is always relational in that it always develops in relation to some specific goal and is always constituted socially. That is, to have the power to influence events involves the mobilisation of collective resources, energies and wills which do not inhere in bureaucracies but are the properties of social actors. In practice, then, the extent to which ASEAN has any capacity to influence sub-regional events actually depends on (a) the degree to which the representatives of ASEAN member-states can reach a meaningful consensus on a course of action, and (b) the mobilisation of necessary resources by the member-states, which in turn rests upon (c) the consent or non-opposition of powerful domestic social forces whose cooperation is required or which possess the capacities to

1 Author interviews at the ASEAN Secretariat, Jakarta, February 2008.

thwart official agendas. The extent to which ASEAN can influence events in the wider Asian region also depends, furthermore, on the positions taken by non-ASEAN states, particularly the US and China. Put somewhat crudely, there are thus both internal and external determinants of ASEAN's capacity to influence great power relations in Asia. Let us deal first with the external relationships.

2 External Determinants of Capacity

It is arguably mistaken to see ASEAN's role through the ARF as expressing a forceful desire to manage and direct Asia-Pacific international relations, or as reflecting a delusion that it is capable of doing so (cf. Jones and Smith 2006). Understood historically, it is clear that the ARF emerged for two quite different reasons. First, ASEAN was bounced into proposing some sort of Asia-Pacific security forum in the early post-Cold War period largely to avoid being eclipsed by alternative proposals modelled on the OSCE, which were being mooted by Japan and Australia (Acharya 1995). ASEAN had acquired a diplomatic centrality unprecedented for a third-world grouping over the Cambodian conflict and was also keen to preserve this after that issue had been settled, since it conveyed important benefits. ASEAN had been forced to cohere itself as a diplomatic community (mediating its internal disagreements, developing greater basic capacities for collective action such as sufficient English-speaking diplomats, etc.), had become a group that was now regularly consulted on extra-regional diplomatic initiatives at the UN, had entered into dialogue partnerships with key external players (notably the EU and the US) which yielded important cooperation on trade, investment and security issues, and so on. The enhanced autonomy, respect and material benefits thereby gained needed to be preserved. Furthermore, at the end of the Cold War there was profound strategic uncertainty in East Asia over Washington's desire to remain engaged in the region (caused by President Bush's drawing down of US troops) and China's unknown ambitions.²

ASEAN's preferred strategic orientation is 'omni-enmeshment', whereby as many great powers as possible remain competitively engaged in the region so as to balance each other's influence (Goh 2008). This enhances ASEAN states' autonomy and influence over the regional agenda (in order to, e.g., exclude issues around human rights or democratisation in the context of the West's 'new interventionism' in the 1990s) and enhances their

2 Khong 2004. The ASEAN Free Trade Area and APEC arose from similar uncertainties and fears around the 'bloc-ization' of the global economy.

collective weight and bargaining power, maximising the resources they are able to extract from these external relationships. These somewhat defensive motivations are about making the best situation out of ASEAN's relatively weak position and are obviously quite different from a delusional desire to exercise a powerful, managerial role in East Asia.

The second reason for the ARF's emergence is that, from the perspective of the non-ASEAN states relevant to the region, it offered the least-worst option to bring some sort of structure to their international relations. The end of the Cold War had swept away the internationalised social, ideological and political conflicts that had provided a meaningful structure to international relations in East Asia, and there was a basic desire among all parties to recreate some sort of order or pattern out of the *fin de siècle* flux. However, while Australia and Japan might have preferred a thick, robust institution along the lines of the OSCE, the US and China were more reluctant. The US was and is essentially satisfied with the 'hub-and-spokes' model of alliances it has constructed since WWII which gives it a permanent presence in the region without being constrained by major institutional commitments and obligations. China had only begun to join significant numbers of international organisations in the 1980s and was equally suspicious of intrusive institutional settings, particularly in the wake of the Tiananmen Square massacre and the implementation of US sanctions. The position of these two key players meant that a weakly-institutionalised, informal, non-binding, consultative forum was all that was likely to be possible. As it happened, that was what ASEAN was offering.

The ARF was thus resorted to as a sort of default option. Other better-resourced and perhaps more progressive states might have a greater 'capacity' in institutional terms to devise more elaborate organisations with more expansive agendas, but this is irrelevant for practical purposes. In a world divided into sovereign states, the extent of international cooperation depends fundamentally on the extent of consensus among states' representatives. Without a more meaningful degree of international consensus it is simply impossible for Asian regional institutions to develop much capacity. Those who bash ASEAN for failing to do more in terms of Asia-Pacific security institution-building (including some ARF member-states) are thus wrongly blaming ASEAN for a fundamentally restrictive strategic situation over which they have no real control. China's willingness to veto Confidence-Building Measures (CBMs) at the ARF, even on apparently benign issues like biodiversity, is a more significant check on cooperative ventures than lack of leadership from ASEAN (Foot 1998: 434). Despite the grumbling, and despite renewed recent efforts from Japan and Australia to propose alternative regional arrangements, the ARF has endured because the

absence of significant consensus among the key players means that it is unlikely that anything better could be devised.

The implication of this historical and strategic context is rarely, if ever, openly admitted: despite ASEAN's role in East Asia being touted as one of bringing peace and stability to the region, in practical terms it actually depends to a large extent on distrust, rivalry and non-cooperation among the great powers. If, say, China, Japan and the US were able to form a strategic condominium or 'Asian concert' based on common interests and ideologies and a high degree of trust, there would essentially be no need for the ARF from their perspective.³ By the same token, if China, South Korea and Japan were able to establish closer, friendlier relations, the ASEAN Plus Three (APT) forum which groups them with ASEAN would become defunct – hence the considerable anxiety in some Southeast Asian chancelleries over the three countries' leaders holding annual summits since 2008. The remarkable frequency with which ASEAN seeks formal reiteration of its position in the 'driving seat' of Asian regional cooperation from its partners also testifies to its own insecurities.⁴

In this sense, ASEAN's capacity to stabilise great power relations in Asia correlates with the incapacity of great powers to successfully mediate their relationships fully on their own. However, it also depends on the rivalry among the great powers remaining within tolerable bounds. The current healthy competition yields considerable benefits to ASEAN as they are courted with offers of funding, investment and free-trade agreements. However, if this escalated into a more hostile rivalry (e.g., through China adopting an aggressive military posture in the South China Seas), ASEAN would be faced with its nightmare scenario of having to choose between strategic partners.⁵ It is thus in ASEAN's interests – and arguably everyone

3 For an exploration of this idea which explains its (current) impossibility see Acharya 1999.

4 This 'driving seat' terminology can be found in many ARF and APT statements. It has recently been amended to refer to ASEAN's 'centrality', perhaps partly due to repeated driving-related jokes made at ASEAN's expense (e.g., 'what is being driven: a BMW or a clapped-out *tuk-tuk*?'; 'how many miles-per-gallon does it do?', 'what is the destination?', 'how fast are we going?', 'do you have a licence?', 'are you a drunk driver?', 'what do the passengers think? Are they saying "speed up" or "slow down"? Are they back-seat drivers?', etc., etc., *ad nauseam*). I thank Don Emmerson for this observation (and the jokes).

5 The likelihood of this in the short-to-medium term is, in my in view, very slim. Despite the somewhat realist flavour to this paper thus far, I would argue that capitalist economic and social relations play a very powerful role in explaining why serious great power rivalry is conspicuous by its near-absence in the post-Cold War period. A realist emphasis on geopolitics is simply not sufficient to grasp what is

else's – to try to moderate this rivalry, which is why the Association has focused on elaborating peaceful norms of interstate conduct and enmeshing the great powers in a bewildering web of regional bodies, dialogue partnerships, cooperative projects, free-trade areas, and so on. Those who criticise, for example, the bilateralism that characterises trade cooperation in the region as 'irrational', since it is less 'efficient' than multilateralism, to some extent miss the point (e.g., Dieter 2009: 89-113). These arrangements are not always about the concrete material benefits they can be expected to yield; sometimes they are simply one more strand through which to tie-in the great powers, providing one more reason for these states to think twice before acting rashly. We might visualise this as many Lilliputians tying down a few Gullivers. The ropes may not be very strong, even in combination, but so long as the Gullivers do not cooperate to help free one another, they have little choice but to play the Lilliputians' game. Great-power relations have improved encouragingly of late, particularly between Japan and China, but residual conflicts and wariness seem likely to prevail in the short-to-medium term, providing a continued need for something like the ARF. Speculation that the Six Party Talks could evolve into a permanent Northeast Asian security institution seem overly optimistic at present.

Furthermore, the present arrangements do yield benefits to the great powers, helping to keep them engaged and thus boosting ASEAN's capacity to keep the process going. As noted above, a desire for some degree of predictability and order in interstate relations is satisfied by the ARF. There are sufficient disagreements and conflicts of interest among the great powers that they do require some way of mediating their relations so that they can come together to discuss issues of common concern, and the ARF does provide this. At times of serious crises in Sino-US relations in the mid-1990s, or Sino-Japanese or US-North Korean relations in the early and mid-2000s, states whose formal bilateral relations had perhaps broken down were nonetheless able to engage in multilateral dialogue at the ARF and informal

actually going on. The massive intertwining of the US and Chinese economies, for example, with China reliant on the US market to continue its export-driven growth pattern and the US dependent on Chinese purchases of government bonds, clearly constrains both parties significantly. China's embrace of state capitalism and many neoliberal policies, and the moderation of the US human rights and democratisation agenda since 9/11, have also brought the two states closer together ideologically. However, the global trade and currency imbalances created by uneven economic development, coupled with the endless potential for crises within capitalism, means that liberal faith in interdependence in creating permanent peace is as flawed as realists' emphasis on power politics. The potential for great power rivalry remains but requires a dialectical and comprehensive analysis to be properly understood.

bilateral talks on its sidelines. On the assumption that 'jaw-jaw is better than war-war' this can only be a good thing. The APT and ARF processes have also generated a few beneficial, albeit low-level, cooperative outputs, such as the Chiang Mai Initiative (a currency swap arrangement that has reinforced monetary stability in East Asia) and the publication of increasingly detailed defence white papers which help generate more transparency and confidence internationally.

However, the willingness of the great powers to play ASEAN's game can never be taken for granted. As we have seen recently with the proposals of an Asia-Pacific Community and an East Asian Community from Australia and Japan's (now both former) prime ministers, Kevin Rudd and Yukio Hatoyama, alternative institutional settings are still occasionally mooted by frustrated, non-Southeast Asian states. Moreover, the commitment of key players frequently wavers, signalled notably by the sporadic absences of the US secretary of state from ARF meetings. Moreover, there is a fundamental disjuncture between the *de facto* scope of ASEAN institutions and the location of the most serious security issues in Asia. The ARF, despite formally encompassing an area from South Asia to North America, is obviously centred on Southeast Asia, yet the most dangerous threats to international security are clearly located in South and Northeast Asia, especially the Korean peninsula. Because involving itself in the enormous conflicts of interest involved in these theatres could only harm its goal of omnienmeshment, ASEAN prefers to do as little as possible about these issues, merely endorsing, e.g., the Six Party Talks on Korea.⁶ In order to maintain support for ASEAN's centrality and all it implies, therefore, it is necessary for the Association to prove its credibility and relevance in relation to other issues – especially those in Southeast Asia – to key external partners, particularly the US (and to a lesser degree the EU). Fear of losing international credibility is a major driver behind ASEAN's recent internal developments, to which we will turn momentarily.

ASEAN's capacity to influence great power relations in East Asia thus depends, to a large extent, on what great power relations are actually like. Historically, East Asia has been a site of serious great power conflicts and

6 This is arguably very wise. The crisis on the Korean peninsula is very complex but has at its heart an essentially bilateral conflict between North Korea and the US. The inclusion of other parties in the negotiations may be necessary for all sorts of reasons (not least the importance of Chinese assistance in the survival of the North Korean regime), but even at six parties this has involved the unhelpful intrusion of rather extraneous issues into the talks (e.g., over Japanese prisoners being held in North Korea). It is extremely unlikely that ASEAN could add much except confusion to these tortuous negotiations.

was declared ‘ripe for rivalry’ at the end of the Cold War. This judgement was well overstated because it failed to appreciate that the drivers behind this historic conflict had often been ideological and socio-economic – particularly during the Cold War – rather than some abstract balance of power, and that these drivers had to a large extent dissipated. Tension has occasionally flared, but dangerous confrontation has been avoided and cooperation and economic interdependence has deepened considerably. Great power relations are characterised by a mixture of uncertainty, mutual suspicion, long-range jostling for position, a desire for cooperation to advance vital security and economic interests, a widely-shared desire to somehow manage the rise of China, and China’s wish to disprove the China threat theory. This context creates the space for the kind of forum ASEAN wishes to offer – and not much beyond this. So long as this admixture of conflict and cooperation among great powers continues and as long as ASEAN continues to satisfy minimal standards of credibility, ASEAN’s capacity to host great power summits, and thereby influence great power relations to some degree, is likely to continue to exist by default.

3 Internal Determinants of Capacity

External conditions may grant a default role to ASEAN, but the grouping cannot afford to be – and indeed is not – complacent. In theory, precisely because the facilities offered by the ARF are so limited, any medium-sized state in the region could easily coordinate a replica of it, displacing the Association from the ‘driving seat’ with ease. The continued acceptance of ASEAN as the ‘hub’ of East Asian regionalism rests to a significant degree on its credibility as a manager of regional order. This has been in severe doubt since the 1997 Asian financial crisis, and ASEAN has struggled to reassure those who criticise it for being ineffectual within the limited ambit of Southeast Asia, let alone Northeast Asia. To understand why, we need to explore the difficulties ASEAN has faced in reaching meaningful consensus due to the divergent interests of the socio-political coalitions underpinning member-states.

As a grouping of small, weak states, ASEAN has always faced a challenge to make its unprecedented role as a manager of wider regional order and great power relations appear credible. Both functional and political capacities are required. On the functional side, ASEAN states require sufficient diplomatic resources to carry out the work of coordinating the ARF, APT and other activities, plus the domestic capacities to fulfil commitments or take forward projects agreed in these forums. Clearly, some ASEAN states lack significant aspects of even this capacity. The poorer member-

states have not always had sufficient numbers of English-speaking diplomats to attend all of ASEAN's own meetings, let alone run the ARF effectively (Nguyen Vu Tung 2007). On the political side, collective bargaining requires that the group mediate their disagreements and arrive at a relatively coherent collective position on key regional issues. This is particularly important to avoid powerful states exploiting divisions within the grouping using 'divide and rule' strategies. Even during the much more perilous context of the Cold War, ASEAN states often struggled to reach a genuine collective stance on important issues (see, e.g., Leifer 1973). This remains the case today.

These problems were overlooked when ASEAN first became a hub for Asian institution-building, but have very much come to the fore since the Asian crisis. During the 1990s, widespread 'boosterism' around ASEAN and its 'economic miracle' distracted many Western policymakers and investors from the Association's inherent weaknesses as they manoeuvred for influence and market access. However, the Asian crisis led to a dramatic disenchantment with Southeast Asia. Foreign investment in ASEAN halved from 1997-2002, much of it relocating to China (UNCTAD 2009). The crisis also exposed ASEAN's political limitations, both in terms of ramshackle and corrupt domestic governance and the region's inability to respond meaningfully to the crisis and its divided response over crises like that in East Timor. Singapore's foreign minister warned in 2000 that post-crisis perceptions of ASEAN as an

ineffective [...] sunset organisation [...] are political facts. Perceptions can define political reality – if we continue to be perceived as ineffective, we can be marginalised as our Dialogue Partners and international investors relegate us to the sidelines (Jayakumar 2000).

The fear since then, as the head of Singapore's foreign ministry explains, has been that ASEAN might be 'torn apart' by the rise of India and China, or that these 'giants' would 'gradually occupy all political, economic and diplomatic space, squeezing ASEAN into irrelevance'. To avoid this, ASEAN has been compelled to 'integrate more quickly and tightly to hold its own and continue [...] to be the premier platform for the elaboration of an East Asian architecture' (Kausikan 2007: 5, 8). ASEAN has consequently launched myriad eye-catching initiatives to regain its economic and political relevance, including the Hanoi Plan of Action, ASEAN+3 meetings with China, Japan and South Korea, the ASEAN Economic, Security, and Socio-Cultural Communities, annual East Asia Summits, an ASEAN Charter and a regional human rights body. ASEAN has adopted a markedly different ideological tone from the 1990s, emphasising the requirement for the region to adhere to standards of good governance, democracy and human rights.

Moreover, it has been under more pressure than ever to demonstrate its capacity for action on regional issues that matter to key extra-regional dialogue partners. This is clearly important in explaining ASEAN's interventionist reaction to political unrest in Cambodia from 1997-1999, and particularly its increasingly critical stance on Myanmar since 2003, in order to avoid a threatened US boycott of its activities (see Jones 2007; Jones 2008). Every issue in the region is now assessed in terms of its potential to harm ASEAN's image, credibility and relevance; where this potential is high, ASEAN has to respond.⁷ This is indicative of how fragile ASEAN's credibility is still perceived to be by key regional governments.

Part of the reason for this is that there is no clear consensus among ASEAN states on exactly how far to go in order to secure their collective credibility in the eyes of external powers. Much has been written about the ASEAN Way of regionalism, which emphasises consensual decision-making, with some suggesting that this reflects cultural norms specific to the region, e.g., Malay village practices of *mufakat* and *musyawarah*. In fact, because of the anarchic nature of international relations, the extent of *all* international cooperation is determined by the degree of consensus among states. The EU may operate through voting rather than consensus, but the decision to adopt this decision-making process was ultimately based on member-states' consent and its continued use depends on it not being so abused to the detriment of some member-states' interests that this consent would be withdrawn. In practice, the EU spends a great deal of time trying to manufacture consensus among its ruling elites to avoid this happening. Like other groups of states, the EU is not always successful in reaching consensus, as disagreements over the EU Constitution/ Lisbon Treaty and over how to respond to the politico-economic crisis in Greece illustrate. ASEAN is therefore far from unique in being limited by the bounds of consensus among its member-states.

The only thing unique to ASEAN is the specific interests of the dominant socio-political coalitions within the region, which ultimately set the possible bounds of consensus among its member-states. At a basic level, the forces ruling all ASEAN states generally accept the importance of presenting a relatively united front to external powers, and of safeguarding ASEAN's collective image and credibility in order to continue to enjoy a platform from which to advance their own specific interests. Because ASEAN states

7 The most recent example is the political crisis in Thailand, which prompted Cambodia and Singapore to openly deplore the damage to ASEAN's reputation and for Indonesia to propose an emergency ASEAN meeting to help resolve the situation, leading to a joint statement being issued by Vietnam, the present ASEAN chair. See *Bangkok Post* 2010; *The Nation* 2010.

are heavily dependent on extra-regional markets for trade and investment, and many are also dependent in terms of aid, their leaders understand the necessity of maintaining good relations with external economic partners and donors by accommodating their agendas to some degree (or at least appearing to).⁸

Beyond this very basic level, however, the nature of the region's dominant socio-political coalitions makes things much more difficult. As studies of Southeast Asian political economy illustrate, the region's states are dominated by illiberal, oligarchic elites, often with close ties to business or their own business interests to advance, who maintain their domination by mobilising party machines, using a mixture of patronage, intimidation, and coercion (e.g., *inter alia*, Gomez and Jomo 1997; Jones 1998; Hutchcroft 1998; Gomez 2002; Hughes 2003; Robison and Hadiz 2004; Rodan, Hewison, and Robison 2006b). The hegemony of such forces was dealt a serious blow in several countries by the upheavals of the Asian crisis, and reformers have in some instances made significant advances when oligarchic alliances have fractured and elites entered into new alliances with reformers (Loh 2008; see also Jones 2009). However, the relative weakness of reformist forces means that 'one of the defining features of the political economy of Southeast Asia, with the exception of Singapore, is the highly instrumental nature of capitalist control of state power' and the predominance of 'mechanisms by which powerful corporate interests directly capture and appropriate state power' to ensure a continued flow of material benefits for themselves (Rodan, Hewison, and Robison 2006a: 25).

The interests and strategies of these dominant forces are often incompatible with an expansive regional agenda around good governance, human rights and democratisation. Therefore, although all ASEAN governments recognise the need to maintain ASEAN's credibility due to the material and political benefits this brings them individually, there are real disagreements over just how far to go in adapting to external pressures on the region. The Singaporean state can afford to embrace good governance rhetoric since it does not rely heavily on corruption to maintain its hegemony and faces no serious political opposition. There is much greater caution among Malaysia's deeply corrupt ruling elite, which is confronted by an active and strengthening opposition which uses this rhetoric to attack government malfeasance (Surain Subramaniam 2001). Likewise, after the relative stabilisation of oligarchic rule within democratic institutions in the wake of the Asian crisis

8 The degree of aid dependency is often larger than commonly realised. For example, in 2005, foreign aid constituted 112.6% of Cambodian government expenditure. World Bank 2007: 348. Indochinese officials have understandably become adept at telling the donors exactly what they want to hear.

and Suharto's fall from power, Indonesia has increasingly used the rhetoric of human rights and democracy to boost its international image. However, the ruling elites of extremely poor, under-developed states like Laos and Myanmar are clearly very far from even appearing to conform to basic standards of liberal governance and their task of maintaining a political and economic order that suits their own interests and strategies is only complicated by a liberalising regional agenda. For the CLMV states (Cambodia, Laos, Myanmar and Vietnam), one of the main attractions of ASEAN membership was to strengthen their autonomy through 'non-interference', not to weaken it.

Such divergences of interest not only constrict ASEAN's capacity to agree on broad general principles, but also create difficulties in cooperating on highly specific issues. For example, while the evaporation of most Singaporean and Malaysian business interests in Myanmar left those governments free to take a sterner line towards Rangoon after the Depayin incident of 2003, the formulation of a consistent ASEAN policy was frustrated by the Thaksin government in Thailand, which was more interested in pursuing investment opportunities in Burma, not least for Thaksin's own companies (Jones 2008: 277ff.). Likewise, despite paper-based progress, any effective response to the annual haze resulting from illegal land-clearance fires in Indonesia is hampered by the conflictual interests at stake. The oligarchic nature of Indonesia's domestic politics and widespread corruption means that logging magnates are able to operate with significant impunity, while the parliament refuses to ratify the ASEAN Agreement on Transboundary Haze Pollution to avoid infringing on powerful corporate interests. Indonesian politicians complain that Singaporean and Malaysian business interests also contribute to the problem by illegally trading in Indonesian timber (Tay 2009). Even when ASEAN does generate grand, cooperative agreements, the nature of state power in the region means that their implementation is always mediated by prevailing constellations of power and interests. For example, a study of the Trans-ASEAN Gas Pipeline Project found that it was 'unlikely to ever come close to fulfilling its brief or that of its masters' because its actual implementation was profoundly shaped by interpenetration between parts of ASEAN states and powerful business interests, within the overall context of capitalist development and the ideological influence of organisations like the World Bank (Carroll and Sovacool 2008). These examples imply that ASEAN cooperation and institutions are often weak because powerful socio-political coalitions want them to be. Contrary to what is often suggested in the literature, they also indicate that it is not simply the expansion of ASEAN to encompass the less-developed CLMV states that hampers the achievement of regional cooperation.

Effective consensus is also undermined by divergent strategic priorities. All the ASEAN states essentially agree on the strategy of omni-enmeshment. Even Myanmar, the state closest to China, recognises the necessity of maintaining good relations with India and has tried to improve its relations with the West at times (see Haacke 2006). However, the interests specific to each state vary. Of greatest salience here is the South China Sea, where a number of ASEAN states have overlapping territorial claims, some of which also overlap with claims made by China. Assertive Chinese posturing in the early 1990s prompted a collective response from ASEAN in 1992 calling for the peaceful settlement of disputes, and negotiations with China led to the 2002 Declaration on the Conduct of Parties in the South China Sea, which elaborated norms of interstate practice in the area. This was pushed very strongly by Vietnam, which is also in dispute with China over its 1975 seizure of the Paracel Islands. Following increased Chinese activity in the area recently, Vietnam is now pushing for the recently-established ASEAN Defence Ministers' Meeting to consider collective measures and is reportedly trying to involve Washington. All ASEAN states have a basic interest in encouraging Chinese restraint, but not all of them have claims in the South China Sea and many are wary of unduly antagonising Beijing in a way that might jeopardise their policy of omni-enmeshment.

ASEAN governments recognise that the region's lack of internal consensus damages the region's ability to present itself as a cohesive and credible entity capable of engaging meaningfully with the great powers, and have tried a number of strategies to bring the region together. One is the Hanoi agenda adopted in 1998 of 'narrowing the development gap' between ASEAN's older and newer members. By making ASEAN cooperation work more to the benefit of the CLMV states the original members hope to provide resources to help their rulers generate growth, peace and stability at home, and generate incentives to compromise on ASEAN's political development. Thus far, however, the results have been meagre. The evidence suggests that the ASEAN Free Trade Area has actually damaged the uncompetitive industries of the less-developed member-states.⁹ The Hanoi Action Plan remains largely unfulfilled, with ASEAN states unable or unwilling to mobilise the resources necessary, whether internally or from external donors. The ASEAN-China Free Trade Area (ACFTA) with China has significantly boosted the headline rates of investment and growth in ASEAN, particularly in Indochina. However, there are growing concerns that ACFTA is yielding greater benefits to China than to ASEAN and is

9 Do 2007. One of the reasons why full implementation of AFTA has been lacking is that the benefits would accrue so unevenly – predominantly to Singapore.

leading to the hollowing-out of Southeast Asian industries (for a useful overview of the benefits and risks, see Tongzon 2005). Even if such fears are overstated, the fact that China has done more to narrow the development gap than ASEAN's other schemes does not bode well for ASEAN's overall coherence or provide reasons for CLMV states to compromise on the regional agenda.

A second strategy used by the older member-states has been for individual states to attempt to exercise leadership in norm-setting and institution-building, often while occupying the rotating ASEAN chair. Thus, Singapore, Indonesia and the Philippines pushed for ASEAN to launch the ASEAN Economic, Political-Security and Socio-Cultural Communities respectively, resulting in the Declaration of ASEAN Concord II in 2003. Various follow-up blueprints and action plans have been designed to create specific commitments beneath these broad agendas in order to make them credible, monitor progress hold less enthusiastic states to their commitments. More generally, Indonesia has clearly revived its lapsed claim to overall regional leadership by taking prominent and somewhat liberal-interventionist positions on regional issues like the situations in Myanmar and Thailand. While such initiatives have certainly led to a profusion of institutions and plans on paper, there is little evidence to suggest that they have overcome fundamental divergences in interest.¹⁰ Jakarta's 'liberal' turn is also received very badly in some neighbouring countries, not least due to the rather chauvinistic assumptions and hectoring tone adopted by some Indonesian politicians (see Rüländ 2009). While energetic leadership is always vital in forging the alliances and compromises necessary for political action, its effectiveness in practice relies on a significant basis of consent in the first place. Leadership is not something that can conjure up consensus out of thin air in the face of significant conflicts of interest. Multiplying leadership initiatives that are not focused on generating consensus through the hard slog of diplomatic negotiations instead risk creating an ever-widening gap between ASEAN's on-paper aspirations and the political will necessary to realise them.

Unfortunately, ASEAN states' third strategy to increase the region's coherence and credibility focuses on highlighting this gap and demanding it be closed, rather than focusing on the underlying problems that generate the gap. I refer here to the strategy of legalisation implicit in the ASEAN Charter (on ASEAN and the use of legalisation, see Kahler 2000). One of the

10 The ASEAN Secretariat claims that 73.6 per cent of the targets on the ASEAN Economic Community roadmap were hit during 2008-09. See ASEAN Secretariat 2010. However, the independent Economic Research Institute for ASEAN and East Asia (ERIA) paints a far bleaker picture. See ERIA 2009.

Charter's core purposes was to give ASEAN a legal identity and imbue ASEAN agreements with a binding, legal quality. The Eminent Persons Group that drafted the Charter also called for the adoption of voting for decision-making, and a system of sanctions for non-compliance with ASEAN agreements. These proposals were dropped from the final version following acrimonious negotiations between member-states in which Vietnam, Laos and Myanmar twice threatened to walk out of the whole process.¹¹ Nonetheless, the overall goal remained that described by ASEAN's deputy secretary-general, Termsak Chalermpananupap: to impose a 'responsibility to cooperate' that would 'prevail over the principle of noninterference' in order to ensure that member-states 'avoid hurting ASEAN's common interest' (Termsak Chalermpananupap 2009: 123). In this sense the Charter represented the climax of recent discussion by core ASEAN state officials of the imperative of placing the 'regional interest' ahead of 'national interests' when ASEAN's credibility was at stake – most obviously in relation to Myanmar (see Jones 2008: 279ff.). However, the fierce resistance to the notion of sanctions for non-compliance with ASEAN agreements illustrates that not all ASEAN states accept this imperative. They may be willing to sign agreements on various ASEAN 'communities', but they are less keen to be actually held to them by a regional body. Without this fundamental consensus being in place, imposing a responsibility to cooperate by fiat is unlikely to be successful.

I have argued here that ASEAN's problems of coherence and consensus are rooted extremely deeply in the domestic constitutions of the Association's member-states, in addition to their differing strategic priorities. Efforts to find an economic, diplomatic or institutional fix to the absence of consensus represent attempts to get around this fundamental problem that have therefore yielded relatively little. ASEAN has so far proved unable to generate the economic benefits, ideological programme or sense of obligation to the region that would lead rulers to override the entrenched political and economic interests dominating their own states in favour of closer regional cooperation. New areas of cooperation, new regional values and even new institutions have been articulated, but they will have to work within the boundaries set by these powerful interests and will therefore be considerably constrained in what they can achieve. ASEAN's credibility crisis and the doubts over its capacity to effectively influence great power relations in East Asia are therefore like to persist.

11 Author interviews at the ASEAN Secretariat, February 2008.

Conclusions

This paper has argued that assessing ASEAN's capacity to influence great power relations needs to understand capacity in relational rather than institutional terms. Capacities can only develop in relationship to specific goals and to specific forces and interests. ASEAN's capacity depends on the relations among the great powers and their relationship with ASEAN, the nature of the relations among ASEAN states and the relationship between specific regional agendas or issues and the interests of dominant socio-political coalitions within ASEAN states. A lack of consensus among the great powers on key issues in Asian security at the end of the Cold War and since has created the unusual capacity for a grouping of weak states to project outwards their non-threatening model of regional cooperation and become the hub for East Asian institution-building. ASEAN's capacity to perform this function credibly, however, depends on its ability to satisfy, at least in part, the demands of key external partners (particularly Western states) that it manage regional order in a way that takes account of their preferences. The degree to which ASEAN can achieve this is, however, severely constrained by the divergent interests of the socio-political coalitions and different strategic priorities animating member-states. Attempts to overcome divisions among ASEAN states to forge a more coherent collective grouping using economic incentives, diplomatic initiatives and institutional initiatives have been unable to get around these fundamental impediments. Consequently ASEAN's capacity to refute its critics, move onto a new plane of regional integration and provide strong, coherent leadership in wider Asian international relations is likely to continue to be constrained.

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