



T HE DRIVER'S SEAT PHENOMENON



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What ASEAN is doing at multilateral dialogue venues, both trans-regional and East Asian, appears to be largely successful. Such mega-projects as the Asia Pacific Economic Cooperation (APEC) forum and the Asia-Europe Meeting (ASEM) would be altogether impossible without ASEAN. At these conferences, as well as at the ASEAN Regional Forum (ARF), in the ASEAN+3 format, and at the East Asia Summit, the Association holds a very special place. In the parlance of negotiators and analysts it is referred to as the *driver's seat*. The phrase suggests that the Association is responsible both for the “route” and the “traffic rules” of the dialogue. As for the partners, they take it as a given, even if many of them enjoy a rather greater economic might and political influence than does the Association.

However, time does not stand still, and ASEAN is facing new tasks now, the tasks of maintaining and consolidating the positions already gained. An important part of this strategy is expanding interaction with Russia, including at such venues for dialogue as ASEM and EAS, to which this country has already been invited. Hence the need for a comprehensive analysis of ASEAN multilateral diplomacy and the impact it may have on future relations between Russia and the Association.



THE INTERREGIONAL VECTOR

The situation of the late 1980s and early 1990s, when the Yalta-Potsdam model of interaction between countries and territories of the Asia-Pacific Region was quickly becoming obsolete, posed a number of crucial questions before ASEAN. Among them was the issue of multilateral cooperation patterns involving external (i.e. non-regional) partners. Basically, there were two models to choose from.

The first one can be tentatively called an “expansion” model. It provided for strengthening of Trans-Pacific economic ties within APEC. This project was promoted by the United States, which intended eventually to link up the APEC area with that of NAFTA (or North American Free Trade Area).

The other model, of which Malaysian Prime Minister Dr. Mahathir Mohamad was the chief proponent, presupposed a more restricted membership within the East Asia Economic Caucus (EAEC) or Group (EAEG). The North Americans, Australians and New Zealanders were not invited.

The Association opted for APEC and for continued US presence in East Asia. The fact is, the United States meant far too much for ASEAN as a military-political and economic force. At the same time, while joining APEC, Association member states made sure that no decision of significance could be taken without their collective approval.

The Association was no less (and possibly even more) successful in another undertaking: it took on the job of organizing regular multilateral conferences on topical issues of security not only in Southeast Asia, but also in neighboring areas. ASEAN’s contribution to peace in Cambodia had given it a *stable positive image* in the eyes of big international players in the Pacific. To them, the Association looked as an *acceptable compromise entity*. On top of that, it had long since discovered and perfected a format for multilateral discussions known as annual post-ministerial conferences (PMC). It did not take much effort to adjust this format to the new reality, and in 1994 the ASEAN Regional Forum (ARF) was convened for the first time on a PMC basis. This venue for dialogue functioned in accordance with ASEAN’s well known aims and principles, such as patient search for consensus and gradual settlement of specific issues.¹ Encouraging the quest for a common approach to conflict situations, ARF tried to prevent them from growing into serious crises.

The Association members also played a prominent role in the evolution of ASEM. The emergence of this interregional forum helped them in tackling a new and fairly promising issue. In fact ASEM facilitated the interaction of Southeast Asians not only with Europeans, but also with the countries in



The opening ceremony of the Russian language courses. Jakarta, 2010

Northeast Asia. Significantly, the ASEM project was launched not just without U.S. “authorization,” but indeed largely against Washington’s wishes. Thus ASEM participants, ASEAN members included, showed that they were ready to act on their own, guided by their common interests.

ASEAN’s efforts to open and develop venues for multilateral dialogue in the late 1980s-early 1990s bore truly impressive fruit. Yet starting from the second half of the 1990s, the situation began to change, and not for the better, either. In particular, the ASEAN-APEC problems made themselves increasingly felt. The desire of the U.S. to burden the Forum with issues of security met with little enthusiasm from Association states. Among other things, they resented the APEC discussion of the East Timor situation (1999). Small wonder, too: after all, both ASEAN and ARF regarded the problem as Indonesia’s strictly internal matter. Nor was the APEC readiness to tackle international terrorism welcomed by ASEAN. The latter viewed this new development as an attempt “to invade” the “sovereign territory” of ARF.

Besides, contradictions emerged between the ASEAN and APEC scale of priorities. The formation of the Asia-Pacific Free Trade Zone under APEC auspices is hardly on the cards of the Association* that is focused on setting up an ASEAN Economic Community by 2015.

* ASEAN countries that are also APEC members are Indonesia, Malaysia, Singapore, the Philippines, Thailand, Brunei and Vietnam.



The Association and APEC also seem to disagree on matters of interaction with global dialogue venues. Ignoring the APEC leaders' statement to the effect that this forum can and should become a help for the G20,² ASEAN decided to build a relationship with G20 without any such intermediary.³

As for the ARF activities, the results are not particularly inspiring. So far it has failed to achieve anything of importance regarding the South China Sea situation or border disputes between Thailand and Cambodia, or those between Indonesia and Malaysia, to say nothing of other Asian problems. By contrast, statements of “visionary” character are heard quite often.

On the other hand, although ARF has well earned its share of criticism, it is still one of the few channels for regular communication between larger and smaller players on the regional arena. Let us not forget that the “habit of dialogue” on security matters involving so many states did not begin to form till after the Cold War. And ASEAN's position in the driver's seat of the ARF makes the latter look as a *neutral* dialogue vehicle.

Although ASEM, like ARF, has its “teething problems” too, the Association continues to see it as a useful *additional* channel of communication with external partners, be they Europeans, Chinese, Japanese or South Koreans.

On the whole, interregional cooperation involving ASEAN is getting increasingly complex, acquiring more implications and extra facets. This makes it necessary for the Association to be more consolidated and prepared to present a “united front” in dealing with notably bigger partners.

THE EAST ASIA VECTOR

During and after the 1997-1998 financial and economic crisis ASEAN preferences in terms of multilateral cooperation changed. Dr. Mahathir's idea of an East Asian alliance to protect its participants from “uncontrolled globalization” was resurrected. In the circumstances new dialogue venues emerged that abided by the Association's principles – ASEAN+3 and the East Asia Summit (until recently referred to as ASEAN+6).

Two points come to the fore in this connection. The first one is related to ASEAN+3 and the East Asia Summit apparently *moving in diverging directions*; the second one, to the increasing dependence of the Association on the partners within ASEAN+3. Let us discuss these in more detail.

Whereas ASEAN+3 represented a “narrower” format of multilateral cooperation, ASEAN+6, conversely, represented its “enlargement”. Hence conceptual disagreements (in particular, about which countries were to form



the East Asia Community, what were the criteria of “East Asian identity” as the fundamental condition for launching the project, etc.) and incongruities between various integration schemes. A characteristic example is the Chinese initiative of setting up the East Asia Free Trade Area (EAFTA) as opposed to the Japanese idea of forming a regime of Comprehensive Economic Partnership in East Asia (CEPEA).

Meanwhile, the tendency toward strengthening a new dialogue venue, the tripartite summit of China, Japan and South Korea, is gathering momentum. Characteristically, Beijing, Tokyo and Seoul have agreed on their tripartite meetings without ASEAN’s assistance. However, it should also be remembered that there are serious contradictions between “the three,” and each of them remains highly interested in trade and economic ties with the Association countries.

As for ASEAN’s increasing dependence on its “Plus 3” partners, it became noticeable since the time of the Asian crisis. And there seems to be no downward curve to this trend. A recent confirmation of this is the share of ASEAN participation against the shares of Northeast Asia partners in the regional currency pool created as a follow-up of the Chiang Mai Initiative and reaching \$120 billion (as of 2009). The associated states contributed a mere 20 percent of the amount, while the remaining 80 percent came from China, Japan and South Korea.⁴

Additionally, ASEAN internal consolidation has been weakening of late. This is manifested in arguments between its individual members over ASEAN+3 and ASEAN+6 priorities, over the nature of cooperation with external partners, and over quite a few other issues, too. At the time of a global financial and economic crisis the chance of these contradictions worsening is not small.

In other words, today’s tendencies in the development of East Asian regionalism place a number of serious problems before the Association. However, there is also a chance of settling them successfully. Over the years ASEAN has developed a “winner psychology”, repeatedly disproving prognoses by skeptics and pessimists. And the political will to change the situation for the better is something ASEAN leaders do not lack.

THE RUSSIA VECTOR: LOOKING INTO THE FUTURE

Assessing the ASEAN factor in the context of multilateral dialogues, let us try to figure out how it can influence the future of Russia-ASEAN relations. ASEAN’s maneuvers at these venues are currently aimed at making ties with



external partners work to fulfill its overriding task of forming the ASEAN Community by 2015. Without help from the outside the undertaking is unlikely to succeed. So whom does the Association look up to as its main hope? ASEAN+3 partners, it seems. It is using every available means to attract Chinese investment to infrastructure projects. Japan is expected to step up official aid to development. With each of the “three” ASEAN is trying to increase trade relations.

In 2009 the Association’s trade turnover with China, Japan and South Korea amounted to \$160.0, \$176.6 and \$74.3 billion, respectively. As for the volume of Russian-ASEAN trade, it was a mere \$8.5 billion.⁵ Russia takes no part either in the construction of major infrastructure facilities in Southeast Asia, or in those East Asian arrangements for currency and financial cooperation where ASEAN is involved. Accordingly, no “breakthrough” in Russia’s relations with ASEAN seems possible in the near future.

Consider, however, that in the current situation neither side fancies relations developing by “leaps.” Their agenda has less ambitious yet more practically orientated and interconnected tasks.

One of them is to *expand the institutional basis for interaction*. An ASEAN Centre has been opened at the Moscow State Institute (University) of International Relations (MGIMO-U); a second Russia-ASEAN Summit is scheduled for late October 2010; Moscow is joining EAS and ASEM. Without doubt this will make the contacts more diverse, numerous and frequent. In other words, it will help develop the quantitative side of the relationship. And quantity, as we know, eventually tends to affect quality.

The second task arises from the fulfillment of the first one. As Russia-ASEAN ties are strengthened, the *spectrum of opportunities* in promising sectors of cooperation will also expand. And these are fairly numerous.

Energy production comes first in this respect. At present Russian business is ready not only to take part in joint projects for oil prospecting and extraction with its partners in Southeast Asia, but also to help develop energy infrastructure in the Philippines, Vietnam, Laos, Cambodia and Thailand. The subject of energy security will probably be in the fore at the 2012 APEC Summit in Vladivostok. In 2014 the oil pipeline from East Siberia to the Pacific Ocean (ESPO) will become operational. This event appears to directly affect the interests of the Association countries: according to available forecasts, over the next two decades they will have to import some 60 to 65 percent of all oil consumed.⁶ Joint work with Russia will allow ASEAN to improve its energy security, while Russia will increase the innovation constituent of the fuel and energy complex and related branches.



Cooperation in military technology, already quite substantial, promises to grow further. Let us recall the November 2007 negotiations Vladimir Putin held in Jakarta on selling military hardware to Indonesia.⁷ Or take the contract for supplying six Russian-made diesel submarines to Vietnam and building coast infrastructure facilities. The total price of the deal is \$3.2 billion.⁸ Unlike some other suppliers, Russia does not make its sales conditional on political demands. For promotion of our products, this is just as helpful as the advantageous price-to-quality ratio.

There are also such areas of cooperation as biotechnologies and pharmaceuticals, information and educational technologies, energy saving production, space projects, etc. Joint work in these sectors is already under way, and it is fairly intensive.

The development of humanitarian relations also has considerable potential. From 2005 to 2009 the number of Russian tourists visiting ASEAN countries grew from 140,000 to 509,000. In July-August 2010 ASEAN travel agencies sent their staff members to Jakarta to attend Russian language courses.

The project was implemented with the assistance of the Russia-ASEAN Dialogue Partnership Financial Fund.⁹ Let us hope that with the opening of Moscow's ASEAN Centre scientific, educational and cultural exchanges will be stepped up as well, so that Russians and Southeast Asians will have a better understanding of each other.

But probably the main motive for the ASEAN-Russia rapprochement is the basic similarity of views on a desirable world situation. Neither ASEAN nor the Russian Federation needs the kind of scenario where East Asia would be made into an arena of fierce rivalry (say, between the U.S.A. and China) for dominance in the region and the world. Both Russia and ASEAN would like to keep East Asia, not to mention the rest of the planet, in a state of at least relative peace and balance, without which sustainable development would be hard to expect. And if our goals coincide, wouldn't it be better to move toward them together instead of separately?

CONCLUSION

The issue of ASEAN policy toward multilateral structures is not a simple one. This is one of the cases that make observers agonize over the dilemma of the "glass being half empty or half full." If so, sorting out the aspects of this policy is all the more important.



The situations now emerging at dialogue venues demand from ASEAN new efforts, considerable and nontrivial, aimed at staying in the driver's seat, at optimizing its relations with external partners, Russia included.

The RF-ASEAN interaction shows numerous promising areas beneficial both to the Association members and to us. At this stage in their cooperation, Russia and ASEAN seem to have defined their priorities and mutual interests. What will follow in practice, time alone will tell. Most likely, progress will be neither quick nor smooth. But both sides have serious intentions. Since this is clear enough, there are grounds for cautious optimism. ■

NOTES:

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3. ASEAN Akan Bentuk Kontak Grup ASEAN-G20. Berita Sore. Oktober 24, 2009, beritasore.com/2009/10/24/asean-akan-bentuk-kontak-grup-asean-g20/.
4. "Asian Nations Unveil \$120 Billion Liquidity Fund," The Wall Street Journal, May 4, 2009, online.wsj.com/article/SB124139338585281497.html.
5. Table 19. ASEAN Trade by Selected Partner Country/Region, 2009. April 15, 2010, www.aseansec.org/stat/Table19.pdf.
6. Figure 2.1.10: Oil Demand and Net Oil Import Dependency by Subregion (2005, 2015, and 2030). 2.1. Energy Demand and Supply Outlook, www.adb.org/Documents/Books/Energy-Outlook/Chapter-II.pdf.
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8. "Russia To Supply to Vietnam Six Submarines for \$3.2 b," Gazeta.ru, 02.06.2010, www.gazeta.ru/news/lenta/2010/06/02/n_1502528.shtml.
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