

“ASEAN at Fifty: The Way Forward”
CLOSING REMARKS
(Revised end-31 July 2017)
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Ladies and gentlemen, good afternoon.

I am grateful for the opportunity to speak with you on ASEAN’s 50th Anniversary. This anniversary is a milestone for our region, and it presents an opportunity for us to reflect on where ASEAN is headed and how it can steer its future.

Over the course of today’s sessions, you have discussed the evolving international strategic landscape; the fates of our economies; peace and stability; resilience to new threats; and our shared identity.

All of these subjects deserve attention, and I thank the speakers for sharing their carefully considered views.

For my remarks today, permit me to share a few thoughts on ASEAN and its direction. These thoughts represent one effort to answer three simple questions: What have we done right? What can we improve? Where are we headed?

What have we done right?

A few of you may recall when Southeast Asia was described as the “Cockpit of the Great Powers.” In 1967, our region faced security challenges.

Amid proxy conflicts between external powers, and during the height of the Cold War, five countries, Indonesia, Malaysia, the Philippines, Singapore and Thailand, came together to establish a common platform that would build mutual trust.

Since its founding, ASEAN has helped its members to surmount the many divisions of our past: the isolation caused by colonialism; the struggle of state-building; and the effects of the Cold War. Moreover, we did not have a static organization. Thanks to ASEAN's expansion, we have an umbrella over all of Southeast Asia.

This is no small feat. Many outside observers fail to realize how diverse ASEAN's member-states are. ASEAN includes states of all sizes, with different religions, ethnicities, political philosophies, government styles, historical traditions and levels of economic development.

ASEAN has some six hundred million people or about 10 percent of the global population. Collectively, the ASEAN economy is the seventh largest in the world. It includes some of the fastest growing economies in the world. ASEAN members have shown a skillfulness in exploiting economic niches. Our Economic Community, through which we engage the world, helps us to do that.

What can we improve?

Although we have our successes, our introspection must acknowledge the skepticism about ASEAN.

First, bringing ASEAN citizens to feel kinship and a shared stake in the Association is an enormous and incomplete task for the socio-cultural community. But it has to be done, because our region's identity will be an anchor for stability and will drive future action.

Second, although ASEAN Member States have so far tamed the most strident aspects of economic nationalism at home, we cannot shield ourselves from the threats to globalization beyond our borders. Globalization may well need fixing, to spread its gains more equitably, but it cannot be discarded without great risk.

For ASEAN at least, globalization has brought net gains. The ASEAN rate of growth and steady development is a direct result of opening up to the global economy. As it stands, it is in the ASEAN Economic Community that our region has its brightest prospects.

Third, we must keep our eyes open to the political consequences of our governments' financial relationships. In my own country, I have shared my concern that there is little to separate our political disagreements with China and any financial relationship. There is no 'firewall' that separates the two. By entering into weighty financial agreements, we may end up not only tying our own hands, but also the hands of the next generation. We cannot trade away our sovereignty or sovereign rights, and we should not give even the impression that we are willing to do so. This should be an ever more important consideration for our region, which borders what may become the world's largest power.

Fourth, and most concerning, I believe that ASEAN is adrift. This situation may be explained in part by the importance that we attach to our economic ties with China. China is ASEAN's second-largest trading partner after trade within ASEAN itself. I am concerned that this fact has translated into fear—a fear that stops us from standing up on important issues in case of economic retaliation.

In my humble view, our region needs to define its own leadership. To do otherwise is to cede the initiative to an outside power. To start, the largest states, Indonesia, the Philippines, and Vietnam, should consider offering that leadership and serving as the tip of our spear.

Where are we going?

A war between the great powers or within ASEAN is still unlikely in any reasonable scenario. Professor Amitav Acharya of the American University observes that China's military action is unlikely as the costs will be too high.

Over 60% of its gross domestic product depends on foreign trade, while imported oil accounts for 50% of its oil needs. Acharya has underscored the dependence of China's commerce on "access to sea lanes through the Indian Ocean, the Malacca Straights and other areas over which it has little control, and which are dominated by US naval power [....]

An aggressive Chinese denial of South China Sea trade routes to world powers, and the disruption of maritime traffic the resulting conflict might cause, would be immensely self-injurious... it would provoke countermeasures that will put in peril [China's] access to the critical sea lanes in the Indian Ocean and elsewhere."

Nevertheless, ASEAN is seeing its space for action becoming more constrained. The security situation underlines the importance of mitigating the tensions caused by the external powers. ASEAN can do this by maintaining a principled neutrality, by opposing the island-building in and militarization of the South China Sea, and by finding common ground in economic, social and cultural fields to soften the sharpness of political and strategic rivalry. To start, the Hague ruling on the Philippines' case should be an integral part of a binding Code of Conduct. Our region cannot promote the rule of law while ignoring the law as it stands.

ASEAN should stress that it is nobody's backyard or exclusive preserve. Failure to do so would severely narrow ASEAN's options and make it over-dependent on a single player. We need to continue to engage external powers – China, the United States, Japan, India, Europe, Australia – in the project for ASEAN's continued peace and prosperity.

In doing so, we should encourage them to engage each other so as to reduce mutual suspicion and to contain their rival ambitions in our region. We must discourage them from dividing us; for ASEAN to have centrality, it must have solidarity.

For ASEAN to lead effectively, it must also review how it operates. For a start, ASEAN member-states may have to invest more heavily in the Association's institutional strength. We must pay greater heed to elaborating common positions on critical questions of foreign and security policy.

ASEAN should enhance the capability of its work force. There is need to attract more qualified experts to the Secretariat.

The workload of less than 300 professional staff of the ASEAN secretariat is ever increasing—there are more than 1,000 ASEAN meetings every year across 30 different sectors. The budget is one constraint: between 2000 and 2015, the budget for the Secretariat stayed the same, despite the tripling of ASEAN's GDP. All member-states are assessed the same dues, regardless of their GDP and size of population.

Finally, ASEAN has to address its outmoded governance system. The consensus approach, where a single country can block a decision, is responsible for the difficulty in reaching a unanimous decision.

The consensus system empowers the few over the many and contributes to why ASEAN is adrift. Continuing this outmoded system allows an outsider to take advantage of the decision-making process. Are we ready to hand over our sovereignty and sovereign rights to a tyranny of the minority?

Conclusion

In conclusion, ASEAN has come a long way in its first half-century. It has proven itself resilient, flexible, relevant, pragmatic and a force for peace and progress. ASEAN helped bring stability to a region torn by the Cold War.

It has had a meaningful part in building the region's political, security, economic and socio-cultural spheres.

ASEAN will remain an organization that all its member-states need. Fifty years of cooperation is not lightly thrown away. As necessity is the mother of invention, this continuing need will open the path to new thinking and new solutions. ASEAN may have a history of conservatism in many respects. But it has never been immobile.

On this responsiveness and adaptability, ASEAN's next half-century will depend.

Thank you very much.