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**Forging an ASEAN Community:  
Its Significance, Problems and Prospects**

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# **Forging an ASEAN Community: Its Significance, Problems and Prospects**

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## **Introduction**

In October 2003, the Association of Southeast Asian Nations (ASEAN) adopted the so-called “Second Bali Concord”, in which ASEAN for the first time has promulgated the establishment of an ASEAN community. The promulgation was hailed by many as a milestone for the Association, yet this image of third world model of regionalism was tainted by the 1997 currency crisis. Indeed, with the devastating financial crisis that led to the collapse of the Suharto regime in 1998, ASEAN faced its biggest crisis in its history (Sudo 2005). After two years of regional search for a new order, ASEAN decided to pursue a larger regional strategy in the name of “ASEAN plus three”. Without any doubt, it is not problem-free to promote East Asian regionalism and the potential workability of the proposed regionalism remains to be seen. It was this background factor that necessitated ASEAN to embark on a grand strategy for forging its own community.

Why does ASEAN need a community at this critical juncture? What kind of communities is ASEAN trying to forge? How viable is the idea of ASEAN community? Given the cultural diversity, different levels of economic development and variations in strategic orientations among member states within the region, achieving the ASEAN community will be a challenging task. This study intends, first of all, to trace the unique development of ASEAN regionalism, and then to analyze whether or not the establishment of an ASEAN community is viable enough to reinvigorate a tainted Southeast Asian regionalism.

## **I. The Evolution of ASEAN Regionalism**

The origins of ASEAN cannot be understood without referring to the decolonization of Southeast Asia in the 1950s and early 1960s, which were affected by power games at the international level. The experience of colonialism deeply affected how the states of Southeast Asia perceived the regional environment. To differing degrees, the leaders of the region saw the international system as predatory, with powerful states waiting to exploit the internal weaknesses of weaker states. This perception of external threat played a fundamental role in the shaping of regionalism in the region (Narine 2002: 10).

Thus, when the first Indochina war broke out between France and Vietnam, Washington intervened on behalf of France, albeit in a limited way. The defeat of France at Dien Bien Phu came as a shock to Washington, which felt compelled to create the Southeast Asian Treaty Organization (SEATO) in 1954. Although only Thailand and the Philippines joined SEATO, a rigid American containment policy left little room for Southeast Asian countries to maneuver their own *raison d'etre*, except for Sukarno's Indonesia and isolated Burma (Myanmar) which organized the first Asia-Africa conference in 1955, better known as the Bandung Conference. Thus, a polarization within Southeast Asia along the lines of the East-West rivalry was firmly established, continuing even after the outbreak of the Indochina War between the United States and Vietnam in 1965.

During the early 1960s, two indigenous regional organizations, the Association of Southeast Asia (ASA) and Malaya-Philippines-Indonesia (MAPHILINDO), were established in 1961 and 1963 respectively. The members of ASA were Malaya, the Philippines, and Thailand. ASA was heralded by many as a milestone in the history of Southeast Asian regionalism because ASEAN's norms can be traced to its institutional predecessor (Solidum 2003). However, ASA was eventually paralyzed by a territorial dispute between Malaya and the Philippines. To fill the void, MAPHILINDO was proclaimed in August 1963 but was also derailed a month later with the formation of the Federation of Malaysia. The Philippines did not recognize Malaysia because of the Sabah dispute. Indonesia, for its part, opposed and attacked Malaysia because Sukarno viewed Britain's creation of Malaysia as a case of an imperial power imposing its will on Southeast Asia. Resulting from Sukarno's *Konfrontasi* policy, furthermore, left the impression that the non-interference principle is the key to regional stability (Weatherbee 2005).

Thus, as an extension of these indigenous attempts, a loosely-structured ASEAN was formed

in 1967, comprising Indonesia, Malaysia, the Philippines, Singapore and Thailand. In fact, since the immediate task for ASEAN was the development of a basis for mutual trust among member states, the Bangkok Declaration did not specify a mechanism for formal dealings with regional issues and external powers. As such, this earlier sub-regional organization was inward-looking and did not produce any tangible results until the first ASEAN summit in 1976, except for the symbolic agreement in November 1971 to pursue a Zone of Peace, Freedom and Neutrality (ZOPFAN). The fact that all member states but Indonesia had foreign bases and supported American aims in Vietnam clearly indicated the nature and limits of the Association. Economically, both ASEAN and non-ASEAN states alike relied upon their patron's assistance and market for their products, in effect strengthening polarization within the region as well as entrenching bilateralism in their foreign policies.

The end of the Vietnam War in 1973 and the partial realization of the domino theory, that is the emergence of the communist bloc in 1975, compelled ASEAN to restructure its basic posture of regional cooperation. This is the first transformation of ASEAN regionalism. Convening the first and second summit meetings in 1976 and 1977 respectively, the ASEAN countries decided to strengthen its organizational foundation so as to deal with pressing regional issues. The first Bali summit produced two milestone documents. The ASEAN Concord underscored ASEAN's long-term goal in the following way (ASEAN 1976a):

Member states shall vigorously develop awareness of regional identity and exert efforts to create a strong ASEAN community, respected by all and respecting all nations on the basis of mutually advantageous relationship and in accordance with the principles of self-determination, sovereign equality and non-interference in the internal affairs of nations.

In a similar vein, under the Treaty of Amity and Cooperation (TAC) adopted at the Bali meeting of 1976, ASEAN members agreed to abide by the following principles (ASEAN 1976b: Article 2): (1) mutual respect for the independence, sovereignty, equality, territorial integrity, and national identity of all nations; (2) the right of every state to lead its national existence free from external interference, subversion, or coercion; (3) non-interference in internal affairs of one another; (4) settlement of differences or disputes by peaceful means; (5) renunciation of the threat or use of force; and (6) effective cooperation among themselves. Now that ASEAN adopted its first binding treaty, ASEAN's viability would be subject to its management of regional conflicts.

During the 1980s, the Cambodian conflict, initiated by Vietnam's invasion of Cambodia in December 1978, threatened the security of ASEAN countries for several reasons. First, the Vietnamese action presented a serious challenge to the regional order ASEAN had earlier envisaged. To ASEAN, Vietnam was violating the hallowed principle of non-interference that was the core of the 1976 Treaty of Amity and Cooperation. Second, Vietnam had come to be portrayed by the frontline state of Thailand as a security threat. Third, ASEAN deemed the Vietnamese occupation of Cambodia as undermining its policy of making the region free from great-power rivalry. Thus, the

third Indochina conflict became a source of contention between the ASEAN countries and Vietnam, thereby reinforcing the polarization within the region (Caballero-Anthony 2005).

Under these difficult circumstances, notwithstanding, ASEAN emerged as a united actor to be reckoned with. Especially during the third Indochina conflict period, the ASEAN region developed a *modus operandi* among its member countries in three respects. First, as a sub-regional organization, the countries of ASEAN have developed a rule of consensus in that individual initiatives are subjected to a collective agreement as a means of strengthening ASEAN's regional resilience. Second, while ASEAN's security perspectives have not been identical --- for instance, Singapore, Thailand and the Philippines stressed reliance upon a U.S. military presence in the region, while Malaysia and Indonesia advocated a policy of neutrality --- they have come to accept ZOPFAN as a long-term supreme goal of the organization. Third, in TAC lies the basis for a regional order which includes: mutual respect for the independence, sovereignty, equality, territorial integrity, and national identity of all nations; the right of states to be free from external interference; pacific settlement of disputes; renunciation of the threat or use of force; and effective cooperation. Suffice it to say that ASEAN stood up against Hanoi's invasion of Cambodia in order to preserve the rationale and spirit of TAC, while taking full advantage of the dialogue networks.

It was during this time that ASEAN developed its unique style of regional cooperation, hence the formation of a new regionalism which has the following four characteristics: (1) non-interference in the internal affairs of member countries; (2) amicable settlement of conflicts between members; (3) joint efforts toward the outside world; and (4) close consultations and consensus decision-making. These four traits have come to be regarded as "the ASEAN way" (Haacke 2003; Johnston 2003).

The advent of the post-Cold War era, however, led many to consider that ASEAN lost a major centripetal force in its political underpinning, once the Cambodian conflict was over. This is the second transformation of ASEAN regionalism. In order to dispel this negative view, ASEAN succeeded in convening another summit in January 1992. This fourth Singapore summit will be remembered as having produced four tangible agreements, as stipulated in the Singapore Declaration. The ASEAN heads of government agreed to: (1) move to a higher plane of political and economic cooperation to secure regional peace and security; (2) seek to safeguard its collective interests in response to the formation of large and powerful economic groupings; (3) seek avenues to engage member states in new areas of cooperation in security matters; and (4) forge closer relations based on friendship and cooperation with the Indochinese countries, following the settlement of the Cambodian conflict (ASEAN 1992).

Therefore, ever since ASEAN pledged in January 1992 to move the Association "toward a higher plane," it was able to fulfill this pledge over the following five years by adopting a higher profile in the wider Asia-Pacific region, based on the ASEAN way. By introducing a new element of multilateral interaction and cooperation, ASEAN's deepening and widening efforts led to the new regionalism in Southeast Asia as a way to deal more confidently with the post-Cold War conditions that are presently unfolding. This is evidenced by ASEAN Free Trade Area (AFTA), ASEAN Regional Forum (ARF), Asia-Europe Meeting (ASEM), and a unified "one Southeast Asia" (Emers

2003, Nesadurai 2003, Robles 2004, Sekiguchi and Noda 1999). While ASEAN is actively engaged in regional activities at different levels, it maintains a unique “centripetal” principle known as “occupying a driver seat.”

Along the lines of these official endeavors, the track 2 approach has been initiated by private institutions, including the ASEAN-Institute of Strategic and International Studies (ASEAN-ISIS), and some notable voluntary groups. For instance, in 1987, the so-called “14 Group” published its proposal entitled “ASEAN: The Way Forward”, advocating a closer economic cooperation, which led to the proposal for an AFTA in 1992 (ASEAN-CCI 1987). In a similar vein, ASEAN-ISIS issued “A Time for Initiative” in 1991, in which four initiatives were spelled out (ASEAN-ISIS 1991). These initiatives led ultimately to the establishment of the Conference on Security Cooperation in Asia Pacific (CSCAP) and the ARF in 1994 (Kuroyanagi 2005a: 267).

Most notably, in August 1996, an NGO meeting was organized by the Citizens of Southeast Asia in Manila, adopting a resolution touted “Toward a Southeast Asian Community”. This was to reappraise the ideas and recommendations concerning the region’s future, as articulated in “Southeast Asia Beyond the Year 2000: A Statement of Vision” which was issued in May 1994. Based upon the four principles (national and regional resilience, unique in diversity, common national interests, open regionalism), the group strongly advocated the move toward a Southeast Asian community. The resolution clearly stated: “Moved by the ideals espoused by the founding fathers of the ASEAN and expressed in the Bangkok Declaration of 1967, we reaffirm our conviction that Southeast Asia should be a community and that collectively this community should be a major political, economic, cultural and moral entity on the world stages in the twenty-first century” (Citizens of Southeast Asia 1996).

Interestingly, during this period, gradual trends toward a diplomatic community were documented by a researcher who conducted 14 case studies pertaining ASEAN’s diplomacy between 1988 and 1997 (Nischalke 2002). According to Nischalke, from 1988 to early 1992, there is little evidence of a sense of regional community, measured along three criteria (shared meaning, norms compliance, identification with ASEAN), while after 1992, ASEAN has constituted a rule-based community that is based on the norms of regional conduct enshrined in the TAC. It is still, however, a limited sense of a community. Thus, inspired by the second transformation, ASEAN embarked on a soul-searching through track 1 and track 2 initiatives.

## **II. The Adoption of “ASEAN Vision 2020” in 1997**

Without any doubt, Malaysia played a pivotal role to forge a vision for ASEAN, reflecting the fact that Malaysian Prime Minister Mahathir formulated a similar vision for Malaysia in 1991. The so-called Wawasan 2020 is to achieve a developed status for Malaysia by the year 2020 through resolving economic and social problems. Malaysia’s intention was immediately demonstrated by organizing a conference on “ASEAN towards 2020” (Leong 1998).

Therefore, the Second ASEAN Informal Summit held in Kuala Lumpur on 15 December

1997, adopted the ASEAN Vision 2020 which sets out a broad vision for ASEAN in the year 2020: an ASEAN as a concert of Southeast Asian Nations, outward looking, living in peace, stability and prosperity, bonded together in partnership in dynamic development and in a community of caring societies (ASEAN 1997). There are four major goals: (1) a concert of Southeast Asian nations; (2) a partnership in dynamic development; (3) a community of caring societies; and (4) an outward-looking ASEAN. Let us see their details here.

First, ASEAN is to forge a concert of Southeast Asian nations, which includes the following:

1. We envision the ASEAN region to be, in 2020, in full reality, a Zone of Peace, Freedom and Neutrality, as envisaged in the Kuala Lumpur Declaration of 1971.
2. ASEAN shall have, by the year 2020, established a peaceful and stable Southeast Asia where each nation is at peace with itself and where the causes for conflict have been eliminated, through abiding respect for justice and the rule of law and through the strengthening of national and regional resilience.
3. We envision a Southeast Asia where territorial and other disputes are resolved by peaceful means.
4. We envision the Treaty of Amity and Cooperation in Southeast Asia functioning fully as a binding code of conduct for our governments and peoples, to which other states with interests in the region adhere.
5. We envision a Southeast Asia free from nuclear weapons, with all the Nuclear Weapon States committed to the purposes of the Southeast Asia Nuclear Weapons Free Zone Treaty through their adherence to its Protocol. We also envision our region free from all other weapons of mass destruction.
6. We envision our rich human and natural resources contributing to our development and shared prosperity.
7. We envision the ASEAN Regional Forum as an established means for confidence-building and preventive diplomacy and for promoting conflict-resolution.
8. We envision a Southeast Asia where our mountains, rivers and seas no longer divide us but link us together in friendship, cooperation and commerce.

Second, ASEAN is to achieve a partnership in dynamic development, which includes the following means:

1. We resolve to chart a new direction towards the year 2020 called, ASEAN 2020: Partnership in Dynamic Development which will forge closer economic integration within ASEAN.
2. We reiterate our resolve to enhance ASEAN economic cooperation through economic development strategies, which are in line with the aspiration of our respective peoples, which put emphasis on sustainable and equitable growth, and enhance national as well as regional resilience.
3. We pledge to sustain ASEAN's high economic performance by building upon the foundation of

our existing cooperation efforts, consolidating our achievements, expanding our collective efforts and enhancing mutual assistance.

4. We commit ourselves to moving towards closer cohesion and economic integration, narrowing the gap in the level of development among Member Countries, ensuring that the multilateral trading system remains fair and open, and achieving global competitiveness.
5. We will create a stable, prosperous and highly competitive ASEAN Economic Region in which there is a free flow of goods, services and investments, a freer flow of capital, equitable economic development and reduced poverty and socio-economic disparities.

Third, ASEAN is to forge a community of caring societies based on the following:

1. We envision the entire Southeast Asia to be, by 2020, an ASEAN community conscious of its historical ties, aware of its cultural heritage and bound by a common regional identity.
2. We see vibrant and open ASEAN societies consistent with their respective national identities, where all people enjoy equitable access to opportunities for total human development regardless of gender, race, religion, language, or social and cultural background.
3. We envision a socially cohesive and caring ASEAN where hunger, malnutrition, deprivation and poverty are no longer basic problems, where strong families as the basic units of society tend to their members particularly the children, youth, women and elderly; and where the civil society is empowered and gives special attention to the disadvantaged, disabled and marginalized, and where social justice and the rule of law reign.
4. We see well before 2020 a Southeast Asia free of illicit drugs, free of their production, processing, trafficking and use.
5. We envision a technologically competitive ASEAN competent in strategic and enabling technologies, with an adequate pool of technologically qualified and trained manpower, and strong networks of scientific and technological institutions and centers of excellence.
6. We envision a clean and green ASEAN with fully established mechanisms for sustainable development to ensure the protection of the region's environment, the sustainability of its natural resources, and the high quality of life of its peoples.
7. We envision the evolution in Southeast Asia of agreed rules of behavior and cooperative measures to deal with problems that can be met only on a regional scale, including environmental pollution and degradation, drug trafficking, trafficking in women and children, and other transnational crimes.
8. We envision our nations being governed with the consent and greater participation of the people with its focus on the welfare and dignity of the human person and the good of the community.
9. We resolve to develop and strengthen ASEAN's institutions and mechanisms to enable ASEAN to realize the vision and respond to the challenges of the coming century. We also see the need for a strengthened ASEAN Secretariat with an enhanced role to support the realization of our vision.



Fourth, to achieve an outward-looking ASEAN, leaders anticipate the association to play a pivotal role in the international fora, and advance ASEAN's common interests. ASEAN is expected to have an intensified relationship with its dialogue partners and other regional organizations based on equal partnership and mutual respect.

Among the four, ASEAN particularly stressed the importance of economic cooperation by suggesting the following concrete schemes:

- (a) advance economic integration and cooperation
- (b) promote a modern and competitive small and medium enterprises sector
- (c) accelerate the free flow of professional and other services in the region.
- (d) promote financial sector liberalization and closer monetary cooperation
- (e) accelerate the development of science and technology
- (f) establish interconnecting arrangements in the field of energy
- (g) enhance food security and international competitiveness of food products
- (h) meet the ever increasing demand for improved infrastructure
- (i) enhance human resource development in all sectors of the economy
- (j) work towards a world class standards and conformance system

Apparently, these constitute many challenges for ASEAN, for these lofty objectives cannot be achieved unless the ASEAN members are truly committed to their realization (Snitwongse and Bunbongkarn 2001: 160).

### **III. Hanoi Action Plan in 1998: From Vision to Action**

In order to implement the proclaimed long-term vision, action plans were immediately drawn in 1998. Due to an unexpected financial crisis in July 1997, ASEAN leaders were compelled to come up with concrete measures to move from vision to action. The Hanoi Plan of Action (HPA) is the first in a series of plans of action which has a six-year timeframe covering the period from 1999 to 2004 (ASEAN 1998). The progress of its implementation is said to be reviewed every three years to coincide with the ASEAN summit meetings. In recognition of the need to address the current economic situation in the region, ASEAN intends to implement initiatives to hasten economic recovery and address the social impact of the global economic and financial crisis. These measures reaffirm ASEAN commitments to closer regional integration and are directed at consolidating and strengthening the economic fundamentals of the member countries. These include:

- (a) Strengthen macroeconomic and financial cooperation
- (b) Enhance greater economic integration
- (c) Promote science and technology development
- (d) Promote social development and address the social impact of the financial and economic crisis

- (e) Promote human resource development
- (f) Protect the environment and promote sustainable development
- (g) Strengthen regional peace and security
- (h) Enhance ASEAN's role as an effective force for peace, justice, and moderation in the Asia-Pacific and in the world
- (i) Promote ASEAN awareness and its standing in the international community
- (j) Improve ASEAN's structures and mechanisms

Most importantly, to restore confidence, regenerate economic growth and promote regional financial stability through maintaining sound macroeconomic and financial policies as well as strengthening financial system and capital markets enhanced by closer consultations, are maintained so as to avoid future disturbances. These are, (1) maintain regional macroeconomic and financial stability; (2) strengthen the ASEAN Surveillance Process; and (3) structure orderly capital account liberalization.

In order to create a stable, prosperous and highly competitive ASEAN economic region in which there is a free flow of goods, services and investments, a freer flow of capital, equitable economic development and reduced poverty and socio-economic disparities, the action plan specifies the following:

- (a) Accelerate the implementation of the ASEAN Free Trade Area (AFTA)
- (b) Implement the Framework Agreement on ASEAN Investment Area (AIA)
- (c) Liberalize Trade in Services
- (d) Enhance food security and global competitiveness of ASEAN's food, agriculture and forestry products
- (e) Intensify industrial cooperation
- (f) Foster small and medium enterprises
- (g) Further intellectual property cooperation
- (h) Encourage electronic commerce
- (i) Promote ASEAN tourism
- (j) Develop regional infrastructure
- (k) Further develop growth areas

However, the financial crisis became so pervasive that Asia is said to have lost its confidence in the "Asian Miracle." Indeed, it seemed undeniable that the prolonged economic crisis is likely to have some important politico-security implications (Sudo 2005). Since Southeast Asian countries have based their legitimacy largely on promoting rapid economic growth, the following four implications of the financial crisis could be extrapolated: (1) the end of developmental states, for instance, Indonesia's Suharto regime; (2) slower defense modernization; (3) a divisive ASEAN; and (4) the retreat of the new ASEAN regionalism, for instance, AFTA and ARF. Now that some of these implications have become realities, the pessimists may claim that "the ASEAN way no longer

works" (*The Economist*, February 28, 1998). Especially, the collapse of the longest regime in Southeast Asia in May 1998 brought forth the fact that ASEAN without Indonesian leadership could be ineffective, as the East Timor debacle amply suggests. The consequences for Indonesia's national cohesion could be catastrophic. While a complete breakdown in Jakarta's authority remains unlikely, as one observer explains, "Concerned neighbours and interested powers will need to coordinate their planning for such a contingency" (Huxley 2002, 91).

Since the financial crisis has exacerbated its inherent weakness, ASEAN needs to undergo reforms. Otherwise, its role in the region could be marginalized. As one scholar explains: "ASEAN is likely to lose its pre-eminent regional status to other institutions, and may even fade into irrelevance, in the next century" (Narine 1999, 358). This marks the third transformation of ASEAN regionalism. To deal with this exigent need, the Eminent Persons Group (EPG) held its first meeting in 1999, with terms of reference that included: 1) developing a plan for a peaceful and stable Southeast Asia; 2) making recommendations to create vibrant economies in ASEAN; and 3) examining how to build a community of caring societies, as well as an outward looking ASEAN. Prompted by the criticism of irrelevance both internally and externally, ASEAN asked EPG to come up with specific measures to strengthen the organization in crisis.

After eighteen months of consultations, the EPG presented its final report, "The People's ASEAN", to top ASEAN leaders in November 2000. The report stressed the following resolution (ASEAN EPG 2000):

We are convinced that for ASEAN to survive and overcome future crises of the type that swept through the region in recent years, the peoples of ASEAN must themselves be involved, i.e., take ownership of the ASEAN Vision 2020, and that ASEAN members should not only be the prerogative of governments, but also of businesses, the civil society and ultimately, the people. We believe that the long-term aim has to be the realization of human security and development in the whole ASEAN region.

Acting on this, ASEAN leaders designated the 2002 summit as "Phnom Penh Agenda: Towards an ASEAN Community" in which four themes were contemplated: (1) Collaboration with the Greater Mekong Sub-region program to accelerate ASEAN integration; (2) ASEAN as a single tourist destination; (3) ASEAN solidarity for peace and security, especially in the fight against terrorism,; and (4) Bold steps in sustainable natural resources management, including ratification of the Kyoto Protocol by all ASEAN members. Leaders considered the idea of an ASEAN Economic Community as an end goal for the Roadmap for the Integration of ASEAN and Vision 2020 which ministers could study (ASEAN 2002).

Indeed, ASEAN needed to change from a neighboring watch group to a community at this critical juncture (Hund 2002). To effect this change, a greater Indonesian role was called for.

#### **IV. The Bali Concord II in 2003: From Vision to Community**

As the advent of ASEAN's third transition suggests, ASEAN realized the importance of addressing urgent issues accrued from the globalization of economies, the rise of China and the emergence of nontraditional threats. Especially, the rise of China has undercut the competitiveness of ASEAN members in the world market. Thus, in order to revive ASEAN, it is required to bolster political stability and induce more foreign direct investment. According to an Indonesian scholar, "Indonesia should use the opportunity to reclaim its strategic centrality within ASEAN which, in turn, would enable the Association to reclaim its diplomatic centrality within the international community" (Sukma 2003).

In October 2003, Indonesia set the stage for its come-back after the devastating collapse of the Suharto regime in 1998. As expected, the ninth summit produced remarkable results (Smith 2004, Ferguson 2004). Most importantly, Indonesia came up with a revised version of 1976 Bali Concord, to wit, the ASEAN Concord II which specifies its concept of community as follows:

1. An ASEAN Community shall be established comprising three pillars, namely political and security cooperation, economic cooperation, and socio-cultural cooperation that are closely intertwined and mutually reinforcing for the purpose of ensuring durable peace, stability and shared prosperity in the region;
2. ASEAN shall continue its efforts to ensure closer and mutually beneficial integration among its member states and among their peoples, and to promote regional peace and stability, security, development and prosperity with a view to realizing an ASEAN Community that is open, dynamic and resilient;
3. ASEAN shall respond to the new dynamics within the respective ASEAN Member Countries and shall urgently and effectively address the challenge of translating ASEAN cultural diversities and different economic levels into equitable development opportunity and prosperity, in an environment of solidarity, regional resilience and harmony;
4. ASEAN shall nurture common values, such as habit of consultation to discuss political issues and the willingness to share information on matters of common concern, such as environmental degradation, maritime security cooperation, the enhancement of defense cooperation among ASEAN countries, develop a set of socio-political values and principles, and resolve to settle long-standing disputes through peaceful means;
5. The Treaty of Amity and Cooperation in Southeast Asia (TAC) is the key code of conduct governing relations between states and a diplomatic instrument for the promotion of peace and stability in the region;
6. The ASEAN Regional Forum (ARF) shall remain the primary forum in enhancing political and security cooperation in the Asia Pacific region, as well as the pivot in building peace and stability in the region. ASEAN shall enhance its role in further advancing the stages of cooperation within the ARF to ensure the security of the Asia Pacific region;
7. ASEAN is committed to deepening and broadening its internal economic integration and

linkages with the world economy to realize an ASEAN Economic Community through a bold, pragmatic and unified strategy;

8. ASEAN shall further build on the momentum already gained in the ASEAN+3 process so as to further draw synergies through broader and deeper cooperation in various areas;
9. ASEAN shall build upon opportunities for mutually beneficial regional integration arising from its existing initiatives and those with partners, through enhanced trade and investment links as well as through IAI process and the RIA;
10. ASEAN shall continue to foster a community of caring societies and promote a common regional identity;

Having adopted the Bali Concord II on October 7, 2003, ASEAN is expected to strengthen its political, economic and cultural foundations on which the development of larger regionalism such as the ASEAN+3 hinges. Indeed, it is remarkable that ASEAN members promised to live at peace with each other and with the world at large “in a just, democratic and harmonious environment.” ASEAN leaders also pledged to achieve an ASEAN Community by the year 2020 which would rest on the three pillars of ASEAN security community, ASEAN economic community, and ASEAN socio-cultural community (Sudo 2004). With this basic framework for the ASEAN community, let us examine further what kind of communities ASEAN is trying to establish.

## **V. The ASEAN Economic Community (AEC)**

Ever since the inauguration of AFTA in 1992, ASEAN aims to promote closer economic cooperation (Soesastro 2005). Even with the adoption of the Initiative for ASEAN Integration (IAI) in November 2000, ASEAN intended to pursue economic integration. The integration idea was thought to provide the means for ASEAN economies to revitalize and remain competitive in the face of growing economic challenges. Thus, the idea of an AEC was conceived. This idea was first proposed by Singapore Prime Minister Goh Chok Tong at the Phnom Penh summit in 2002. As the so-called Singapore Initiative suggests, Singapore urged its counterparts to consider the 1950’s European Economic Community as a model to create an ASEAN Economic Community (*Straits Times*, October 12, 2002, November 5, 2002).

Influenced by these ideas and suggestions, the Bali Concord II defined ASEAN economic community (AEC) as follows:

1. The ASEAN Economic Community is the realization of the end-goal of economic integration as outlined in the ASEAN Vision 2020, to create a stable, prosperous and highly competitive ASEAN economic region in which there is a free flow of goods, services, investment and a freer flow of capital, equitable economic development and reduced poverty and socio-economic disparities in year 2020.

2. The ASEAN Economic Community is based on a convergence of interests among ASEAN members to deepen and broaden economic integration efforts through existing and new initiatives with clear timelines.
3. The ASEAN Economic Community shall establish ASEAN as a single market and production base, turning the diversity that characterizes the region into opportunities for business complementation making the ASEAN a more dynamic and stronger segment of the global supply chain. ASEAN's strategy shall consist of the integration of ASEAN and enhancing ASEAN's economic competitiveness. In moving towards the ASEAN Economic Community, ASEAN shall, inter alia, institute new mechanisms and measures to strengthen the implementation of its existing economic initiatives including the ASEAN Free Trade Area (AFTA), ASEAN Framework Agreement on Services (AFAS) and ASEAN Investment Area (AIA); accelerate regional integration in the priority sectors; facilitate movement of business persons, skilled labor and talents; and strengthen the institutional mechanisms of ASEAN, including the improvement of the existing ASEAN Dispute Settlement Mechanism to ensure expeditious and legally binding resolution of any economic disputes. As a first step towards the realization of the ASEAN Economic Community, ASEAN shall implement the recommendations of the High Level Task Force on ASEAN Economic Integration as annexed.
4. The ASEAN Economic Community shall ensure that deepening and broadening integration of ASEAN shall be accompanied by technical and development cooperation in order to address the development divide and accelerate the economic integration of Cambodia, Lao PDR, Myanmar and Viet Nam through IAI and RIA so that the benefits of ASEAN integration are shared and enable all ASEAN Member Countries to move forward in a unified manner.
5. The realization of a fully integrated economic community requires implementation of both liberalization and cooperation measures. There is a need to enhance cooperation and integration activities in other areas. These will involve, among others, human resources development and capacity building; recognition of educational qualifications; closer consultation on macroeconomic and financial policies; trade financing measures; enhanced infrastructure and communications connectivity; development of electronic transactions through e-ASEAN; integrating industries across the region to promote regional sourcing; and enhancing private sector involvement.

Currently, there are two major studies of AEC. One is the ISEAS study advocating for an "FTA-plus" approach, which covers a zero-tariff ASEAN free trade area and some elements of a common market. The other is ASEAN-ISIS study advocating for a common market minus approach, which means that by 2020 the AEC would be declared a Common Market but it would take into account areas where member countries could reserve deeper integration for a later stage. The ASEAN-ISIS group argues that this approach can be more liberalizing than the FTA-plus approach because of its explicit formulation of some kind of a negative list that can be brought under the umbrella of the integration project (Hew 2005a, Hew and Soesastro 2003, Soesastro 2003).

Despite these positive moves, many observers question ASEAN's efforts (Tan 2004). One typical view is that AEC is the least developed pillar among the three. For instance, Ganesan pointed out specific reasons. First, development levels between many of the countries are uneven, leading to different requirements to cope with economic development. Second, many ASEAN countries produce similar primary commodities such as rubber, palm oil, cocoa, and timber for export. This convergence extends into the manufacturing sector as well. Third, the products of most ASEAN member states are destined for similar markets in Europe, North America, and Japan. Fourth, some member states have either expressed an interest in protecting domestic infant industries, or have protectionist tendencies. Fifth, tariffs are an important source of revenue for many of the ASEAN member states and reducing them significantly will reduce state revenues, with all the attendant repercussions (Ganesan 2004). If many believe that a common market is not possible by 2020 (Hew 2005b), then it is definitely a long way toward a single market (Lloyd 2005).

As the first major step toward the AEC, ASEAN decided to accelerate the liberalization of eleven priority integration sectors: electronics, e-ASEAN, healthcare, wood-based products, automotive, rubber-based products, textiles and apparels, agro-based products, fisheries, air travel and tourism. Trade of goods and services in these sectors among ASEAN members is planned to be fully liberalized by the year 2010 (Ong 2005).

In 2004, ASEAN stressed the importance of resolving the development gap between the original six and the four new members by strengthening IAI through financial support from the ASEAN Development Fund. Furthermore, at the ASEAN summit in 2005, the state of AEC was reviewed (ASEAN 2005):

- (1) We noted with satisfaction ASEAN's positive trade performance with total trade exceeding US\$ 1 trillion. ASEAN total exports increased by 20.69% from US\$ 456.71 billion in 2003 to US\$ 551.19 billion in 2004. ASEAN total imports likewise increased by 26.77% from US\$ 388.79 billion in 2003 to US\$ 492.86 billion in 2004. We also noted with satisfaction that after a number of years of consecutive decline in foreign direct investment (FDI), the flow rebounded in 2004. ASEAN FDI flow for 2004 reached US\$ 25.1 billion, a 22% year-on-year increase. Prospects for 2005 are good with FDI for the first quarter of 2005 already amounting to US\$ 7.2 billion. This achievement was significant in the context of concerns arising from SARS, avian influenza, increasing international competition and a global FDI downturn.
- (2) As a result of the above fine performances, the ASEAN economies continued to grow with real GDP expanding by 6.1% in 2004. ASEAN has certainly done well compared to the average global GDP growth of 5.1%. Based on the momentum generated, despite the current uncertainty in oil prices and rising interest rates, ASEAN's economic growth is likely to be sustained at around 5.5% in 2005.
- (3) We endorsed the ASEAN Economic Ministers decision to accelerate the liberalization of trade in services not covered in the Priority Integration Sectors by 2015, with flexibility. We are encouraged by the signing of Agreements on the Mutual Recognition Arrangement (MRA) for

the ASEAN Harmonized Electrical and Electronic Equipment (EEE) Regulatory Regime; Mutual Recognition Arrangement (MRA) on Engineering Services and the Agreement to Establish and Implement the ASEAN Single Window. We urged our Ministers responsible for tourism and air transport to integrate the sectors at an even faster pace.

- (4) We discussed the possibility of advancing the target date for the realisation of the ASEAN Economic Community from 2020 to 2015 with some flexibility for the new Member Countries. We recognise the challenges some ASEAN Member Countries might face by advancing the target date and tasked our Ministers and senior officials to study the matter.
- (5) We noted the progress in the implementation of the two plus x formula in moving the Multilateral Agreement on the Full Liberalisation of All Cargo Air Services. We recognise the formula is an extension of bilateral cooperation between two ASEAN Member Countries to other countries for promoting economic cooperation. We agreed that more should be done for the development of the Asia Bond Market Initiatives.
- (6) We noted with concern that the prolonged rise in oil prices will have a negative impact on the economic growth of the ASEAN Member Countries and the region. We agreed to further enhance ASEAN cooperation in the energy sector and between ASEAN and other countries, including our Dialogue Partners, to promote energy efficiency and to explore and develop alternative energy sources to ensure energy security and sustainable economic growth.
- (7) We welcomed the launching by the ASEAN Finance Ministers in September 2005 of the FTSE-ASEAN Indices, the first internationally recognised indices that have been created for the ASEAN equity markets, which will raise the profile of leading ASEAN companies to global investors and encourage greater direct investments. This marks an important milestone in promoting ASEAN as an asset class.
- (8) We stand committed to the common goals of eradicating poverty and hunger in ASEAN as pledged at the World Food Summit and Millennium Declarations, and reiterated in the VAP. We, therefore, strongly support further resource mobilisation for agriculture and rural development in the ASEAN Member Countries as agriculture plays a pivotal role in improving food security and poverty reduction. We acknowledged that more and better investment in the sector will create additional employment opportunities, enhance competitiveness and ensure sustainable economic growth. In this regard, we welcomed a number of national and ASEAN initiatives and plans of action and cooperation with various regional and international organisations, including those within the United Nations system such as the Food and Agriculture Organisation and the Economic and Social Commission for Asia and the Pacific to bolster projects and activities in agriculture and propose practical modalities for financing the cooperative programmes.

## **VI. The ASEAN Security Community (ASC)**

It is well-known that long before the Bali Concord II, there existed a great debate over a security community in Southeast Asia (Acharya 1991, Ganesan 1995, Huxley 1996: 237), which continues



today (Khoo 2004, Emmerson 2005). According to advocates, there are three main reasons why we should deem ASEAN as a security community. The first is the existence of an ASEAN way that is non-intrusive in the domestic political affairs of member states and the joint agreement to renounce aggression in the resolution of inter-state disputes. The second is the evolution of the ARF as a regional forum with a mission to enhance confidence-building measures through common codes of conduct and transparency in weapons acquisitions and defense doctrines. The third is the absence of inter-state conflict following the resolution of the Cambodian conflict.

But others argue that ASEAN does not yet constitute a security community. The simple reason is that if a security community means the absence of inter-state threat perceptions, then it is clear that ASEAN is far from meeting this important prerequisite. In fact, the structural changes associated with the end of the Cold War have raised rather than eased intramural threat perceptions (Ganesan 1995).

Besides the academic debate, political leaders in the region are slow to come to grips with the reality. As such, the concept of forming an ASEAN security community was first proposed by Indonesia at the 36<sup>th</sup> ASEAN Ministerial Meeting in June 2003 in Phnom Penh, Cambodia (Severino 2004).

According to the Bali Concord II, an ASEAN security community (ASC) is defined as follows:

1. The ASEAN Security Community is envisaged to bring ASEAN's political and security cooperation to a higher plane to ensure that countries in the region live at peace with one another and with the world at large in a just, democratic and harmonious environment. The ASEAN Security Community members shall rely exclusively on peaceful processes in the settlement of intra-regional differences and regard their security as fundamentally linked to one another and bound by geographic location, common vision and objectives.
2. The ASEAN Security Community, recognizing the sovereign right of the member countries to pursue their individual foreign policies and defense arrangements and taking into account the strong interconnections among political, economic and social realities, subscribes to the principle of comprehensive security as having broad political, economic, social and cultural aspects in consonance with the ASEAN Vision 2020 rather than to a defense pact, military alliance or a joint foreign policy.
3. ASEAN shall continue to promote regional solidarity and cooperation. Member Countries shall exercise their rights to lead their national existence free from outside interference in their internal affairs.
4. The ASEAN Security Community shall abide by the UN Charter and other principles of international law and uphold ASEAN's principles of non-interference, consensus-based decision-making, national and regional resilience, respect for national sovereignty, the renunciation of the threat or the use of force, and peaceful settlement of differences and disputes.
5. Maritime issues and concerns are transboundary in nature, and therefore shall be addressed

regionally in holistic, integrated and comprehensive manner. Maritime cooperation between and among ASEAN member countries shall contribute to the evolution of the ASEAN Security Community.

6. Existing ASEAN political instruments such as the Declaration on ZOPFAN, the TAC, and the SEANWFZ Treaty shall continue to play a pivotal role in the area of confidence building measures, preventive diplomacy and the approaches to conflict resolution.
7. The High Council of the TAC shall be the important component in the ASEAN Security Community since it reflects ASEAN's commitment to resolve all differences, disputes and conflicts peacefully.
8. The ASEAN Security Community shall contribute to further promoting peace and security in the wider Asia Pacific region and reflect ASEAN's determination to move forward at a pace comfortable to all. In this regard, the ARF shall remain the main forum for regional security dialogue, with ASEAN as the primary driving force.
9. The ASEAN Security Community is open and outward looking in respect of actively engaging ASEAN's friends and Dialogue Partners to promote peace and stability in the region, and shall build on the ARF to facilitate consultation and cooperation between ASEAN and its friends and Partners on regional security matters.
10. The ASEAN Security Community shall fully utilize the existing institutions and mechanisms within ASEAN with a view to strengthening national and regional capacities to counter terrorism, drug trafficking, trafficking in persons and other transnational crimes; and shall work to ensure that the Southeast Asian Region remains free of all weapons of mass destruction. It shall enable ASEAN to demonstrate a greater capacity and responsibility of being the primary driving force of the ARF.
11. The ASEAN Security Community shall explore enhanced cooperation with the United Nations as well as other international and regional bodies for the maintenance of international peace and security.
12. ASEAN shall explore innovative ways to increase its security and establish modalities for the ASEAN Security Community, which include, inter alia, the following elements: norms-setting, conflict prevention, approaches to conflict resolution, and post-conflict peace building.

Most importantly, there are five key components of the ASC, namely: (1) political development; (2) shaping and sharing of norms to contribute to the building of a just, democratic and harmonious environment; (3) conflict prevention; (4) conflict resolution; and (5) post-conflict peace building.

In February 2004, Indonesia circulated a document to other ASEAN members suggesting that existing and future peacekeeping centers in ASEAN states be linked into a network for joint planning and training, with a view of establishing an ASEAN Peacekeeping Center by 2010. An actual peacekeeping force would be in place by 2012. However, while the UN has endorsed Jakarta's proposal, it was rejected by other members as premature (*Far Eastern Economic Review*,

May 6, 2004). In June, Indonesia's proposal to establish an ASEAN peacekeeping force, as part of the security community, was finally rejected because of its conflict with the non-interference principle (*Yomiuri Shimbun*, June 16, 2004). The lack of consensus within ASEAN amply suggests the existence of surmountable problems. One scholar, therefore, rejects the thesis that a nascent security community is emerging in Southeast Asia for at least four reasons: (1) a variety of problems surround the independent variable of norms; (2) a critical flaw in argument relates to its tautological nature; (3) the dependent variable has arguably never existed; (4) alternative explanations for ASEAN are not fully explored (Khoo 2004). Other scholars, without necessarily rejecting the thesis, also underscore the fundamental difficulties for realizing the ASC (Shuto 2005, Kuroyanagi 2005b).

In 2005, ASEAN leaders agreed to further strengthen regional efforts to realize the community. Major agreements and commitments are stated as follows (ASEAN 2005):

- (1) We noted the steady progress made in the implementation of the ASEAN Security Community (ASC) related activities through the VAP and the ASC Plan of Action. We noted the accomplishments in implementing the ASC, including the establishment of the Inter-Sessional Support Group on Confidence Building and Preventive Diplomacy and the revival of the Inter-Sessional Meeting on Disaster Relief under the ASEAN regional Forum (ARF); the setting up of the ASEAN-China Joint Working Group on the Implementation of the Declaration on the Conduct of Parties in the South China Sea; and the promotion of greater public awareness about ASEAN through holding activities on the occasion of ASEAN day.
- (2) We welcomed the efforts towards enhancing ASEAN's cooperation in combating terrorism and other transnational crimes through the implementation of agreements among ASEAN Members Countries and the revitalisation and re-ordering of priorities of existing work plans and programmes to give sharper focus to meeting the challenges posed by such crimes. We recognised the important role of inter-faith dialogue in fighting the spread of terrorism and promoting understanding among our people.

## **VII. The ASEAN Socio-Cultural Community (ASCC)**

ASEAN's search for a socio-cultural community has been influenced by ASEAN-ISIS, a track 2 organization in Southeast Asia, which established the ASEAN Peoples' Assembly (APA) in 2000. The significance of APA can be understood by its proclaimed objectives: (1) promoting greater awareness of an ASEAN community; (2) promoting mutual understanding and tolerance for the diversity of culture, religion, ethnicity, social values, political cultures and processes, and other elements of ASEAN diversity; (3) obtaining insights and inputs on how to deal with socio-economic problems affecting ASEAN societies; (4) facilitating the bridging of gaps between ASEAN societies through confidence-building measures; and (5) assisting in the building of an ASEAN community of caring societies as sought by ASEAN Vision 2020 (ASEAN-ISIS 2001). As

one observer cogently puts it: “The timing of holding of APA is therefore crucial to enable APA to provide inputs to ASEAN leaders on issues that are of concern to the people of the region and how they think these can be addressed (Caballero-Anthony 2004, 578; Hernandez 2004)”.

According to the Bali Concord II, an ASEAN socio-cultural community (ASCC) has the following characteristics:

1. The ASEAN Socio-cultural Community, in consonance with the goal set by ASEAN Vision 2020, envisages a Southeast Asia bonded together in partnership as a community of caring societies.
2. In line with the program of action set by the 1976 Declaration of ASEAN Concord, the Community shall foster cooperation in social development aimed at raising the standard of living of disadvantaged groups and the rural population, and shall seek the active involvement of all sectors of society, in particular women, youth, and local communities.
3. ASEAN shall ensure that its work force shall be prepared for, and benefit from, economic integration by investing more resources for basic and higher education, training, science and technology development, job creation, and social protection. The development and enhancement of human resources is a key strategy for employment generation, alleviating poverty and socio-economic disparities, and ensuring economic growth with equity. ASEAN shall continue existing efforts to promote regional mobility and mutual recognition of professional credentials, talents, and skills development.
4. ASEAN shall further intensify cooperation in the area of public health, including in the prevention and control of infectious diseases, such as HIV/AIDS and SARS, and support joint regional actions to increase access to affordable medicines. The security of the Community is enhanced when poverty and diseases are held in check, and the peoples of ASEAN are assured of adequate health care.
5. The Community shall nurture talent and promote interaction among ASEAN scholars, writers, artists and media practitioners to help preserve and promote ASEAN’s diverse cultural heritage while fostering regional identity as well as cultivating people’s awareness of ASEAN.
6. The Community shall intensify cooperation in addressing problems associated with population growth, unemployment, environmental degradation and transboundary pollution as well as disaster management in the region to enable individual members to fully realize their development potentials and to enhance the mutual ASEAN spirit.

At the 2004 Vientiane summit, together with the plan of action (ASEAN 2004b), ASEAN leaders agreed that the ASCC will cover four core areas: (1) building a community of caring societies; (2) managing the social impact of economic integration; (3) promoting environmental sustainability; and (4) promoting an ASEAN identity. It should be noted here that the VAP for the first time designated eleven areas for regional intervention which would go beyond the non-interference principle. According to the VAP (ASEAN 2004a), the regional interventions that

will complement the national actions include:

- (a) Raising the standard of living of marginalised, disadvantaged groups by strengthening the capacity of officials in rural development and poverty alleviation administrations and promoting approaches that engage these groups in society;
- (b) Facilitating universal access to education and promoting high standards through networking and institutional collaborations.
- (c) Reducing the social risks faced by children, women, elderly and persons with disabilities, by supporting programmes consistent with international conventions and promoting services such as aged care, health care and education;
- (d) Increasing the effective participation of family, civil society and the private sector in tackling poverty and social welfare issues through the establishment of networking and exchange programmes, and promoting the professions involved in poverty and social welfare issues;
- (e) Increasing the participation of women and youth in the productive workforce through skills training and increasing access to microfinance and information systems;
- (f) Addressing health development concerns;
- (g) Preventing the spread and reducing the harm of HIV/AIDS and other infectious diseases;
- (h) Enhancing food security, in particular the establishment of food security information systems;
- (i) Ensuring a region of disaster-resilient nations by minimising the adverse effects of disasters in pursuit of safer communities and sustainable development.
- (j) Ensuring a Drug Free ASEAN by 2015 through prevention, treatment and community-based control of drug abuse, including the promotion of alternative development, as well as the elimination of drug trafficking; and
- (k) Promoting science and technology in ASEAN to improve regional human resources by developing science and technology culture and increasing usage of applied science and technology in socio-economic activities.

In 2005, furthermore, the state of ASCC was reviewed (ASEAN 2005):

- (1) We were satisfied with the overall progress made in the implementation of the ASEAN Socio-Cultural Community (ASCC)-related measures and activities of the VAP and the ASCC Program of Action, particularly, in the areas of disaster management and emergency relief; prevention and control of the diseases such as HIV and AIDS and avian influenza; combating transnational crimes; promoting social, women and child development; and poverty eradication. We agreed to further enhance cooperation in these areas to move towards the realisation of the ASCC by 2020.
- (2) We welcomed the decision of the ASEAN Ministers of Education to convene the ASEAN Ministerial Meeting on Education on a regular basis. This is a significant development given the important role of education in ASEAN's social and economic development and its

community building efforts including raising the awareness of ASEAN, instilling the ‘we feeling’ and creating a sense of belonging to the ASEAN Community. We also agreed that the Meeting should focus on enhancing regional cooperation in education matters among Member Countries as well as to cooperate closely with other ASEAN sectoral bodies in the context of building the ASEAN Socio-Cultural Community (ASCC) and implementing the Plan of Action of the ASCC.

Most importantly, ASEAN will have to enhance people’s capacity to construct bonds that were once national, but now must be regional. It will require societies with sufficient social capital and capable institutions to empower individual citizenry to consciously integrate into an ASEAN identity that is perceived to be a worthy course to shape their cultural, economic, political, and social lives. The regional integration of political and economic systems will only be successful when citizens perceive it as the system they would strive to become part of and prosper within (Jones 2004: 144). It is crucial that the creation of a regional identity is of primary interest to ASEAN simply because the 1998 Vision was drafted to reassert the belief in a regional framework, which was designed as an action plan related to human development and civic empowerment.

### **VIII. Assessment: Whither the ASEAN Community?**

According to a track 2 report, five factors accounted for the failed regional initiatives and commitments: (1) ASEAN has no legal underpinning; (2) the ASEAN agenda is overloaded with too many regional initiatives; (3) the mechanism to implement regional initiatives is too “soft” which leads to a “soft path” to integration; (4) the process remains dominated by national bureaucrats; and (5) ASEAN has become so diverse especially since its membership expansion (ISEAS 2004: 5). Thus, how viable these community proposals are is dependent on the follow-up measures, including the Vientiane action program and an ASEAN Charter. For instance, the Vientiane action program is partly based on the reviews of Hanoi Action Plan (HPA) which had the following shortcomings: First, the HPA had provided no clear sources or mechanisms for financing the various initiatives and projects contained therein. Second, certain specific items found their way into the list as proposals by certain countries or sectoral working groups, without benefiting from a wider consensus or through scrutiny (Habito, et.al. 2004).

The 2004 Vientiane Action Program was to cover the period of 2004 to 2010 as an extension of the Hanoi Action plan. It was designed: 1) as an instrument to unify and cross-link the strategies and goals of the three pillars of the ASEAN community; 2) and as an integral part of the action plans and program building up to the realization of the goals of ASEAN Vision 2020. The agreement explains two special considerations to implement the program: “We commit ourselves, therefore, to implement the VAP paying attention to its two dimensions, the first being the broader integration of the ten Member Countries into one cohesive ASEAN Community, and the second

being the identification of new strategies for narrowing the development gap to quicken the pace of integration, and working closely among ourselves, with our Dialogue Partners and others, to mobilize political will and generate the required resources for the effective implementation of the VAP” (ASEAN 2004a).

In December 2005, the 11th ASEAN Summit adopted a joint statement, entitled “One Vision, One Identity, One Community,” in which ten ASEAN leaders welcomed the progress of ASEAN integration and the ongoing community building efforts and “endorsed the Kuala Lumpur Declaration on the Establishment of the ASEAN Charter, which will be a landmark constitutional document embodying fundamental principles, goals, objectives and structures of ASEAN cooperation capable of meeting the needs of the ASEAN Community and beyond” (ASEAN 2005). The proposed ASEAN Charter includes the following:

- (1) the ASEAN Charter will serve as a legal and institutional framework of ASEAN to support the realization of its goals and objectives;
- (2) the ASEAN Charter will codify all ASEAN norms, rules, and values and reaffirm that ASEAN agreements signed and other instruments adopted before the establishment of the ASEAN Charter shall continue to apply and be legally binding where appropriate;
- (3) the ASEAN Charter will reaffirm principles, goals and ideals contained in ASEAN’s milestone agreements, in particular the ASEAN Declaration (1967), the Treaty of Amity and Cooperation in Southeast Asia (1976), the Treaty on Southeast Asia Nuclear Weapon Free Zone (1995), the ASEAN Vision 2020 (1997) and the Declaration of ASEAN Concord II (2003) as well as the principles of inter-state relations in accordance with the UN Charter and established international law that promote and protect ASEAN community interests as well as inter-state relations and the national interests of the individual ASEAN countries. These include among others:
  - (a) Promotion of community interest for the benefit of all ASEAN Member Countries;
  - (b) Maintaining primary driving force of ASEAN;
  - (c) Narrowing the development gaps among Member Countries;
  - (d) Adherence to a set of common socio-cultural and political community values and shared norms as contained in the various ASEAN documents;
  - (e) Continuing to foster a community of caring societies and promote a common regional identity;
  - (f) Effective implementation as well as compliance with ASEAN’s agreements;
  - (g) Promotion of democracy, human rights and obligations, transparency and good governance and strengthening democratic institutions;
  - (h) Ensuring that countries in the region live at peace with one another and with the world at large in a just, democratic and harmonious environment;
  - (i) Decision making on the basis of equality, mutual respect and consensus;
  - (j) Commitment to strengthen ASEAN’s competitiveness, to deepen and broaden

- ASEAN's internal economic integration and linkages with the world economy;
- (k) Promotion of regional solidarity and cooperation;
  - (l) Mutual respect for the independence, sovereignty, equality, territorial integrity and national identity of all nations;
  - (m) Renunciation of nuclear weapons and other weapons of mass destruction and avoidance of arms race;
  - (n) Renunciation of the use of force and threat to use of force; non-aggression and exclusive reliance on peaceful means for the settlement of differences or disputes;
  - (o) Enhancing beneficial relations between ASEAN and its friends and partners;
  - (p) Upholding non-discrimination of any ASEAN Member Countries in ASEAN's external relations and cooperative activities;
  - (q) Observance of principles of international law concerning friendly relations and cooperation among States; and
  - (r) The right of every state to lead its national existence free from external interference, subversion or coercion and non-interference in the internal affairs of one another.
- (4) The ASEAN Charter will confer a legal personality to ASEAN and determine the functions, develop areas of competence of key ASEAN bodies and their relationship with one another in the overall ASEAN structure (ASEAN 2005).

With these basic agreements, ASEAN leaders intend: (1) to establish an Eminent Persons Group (EPG), comprising highly distinguished and well respected citizens from ASEAN countries, with the mandate to examine and provide practical recommendations on the directions and nature of the ASEAN Charter relevant to the ASEAN Community as envisaged in the Bali Concord II and beyond, taking into account, but not limited to, the principles, values and objectives as contained in the Declaration; (2) to establish a High Level Task Force to carry out the drafting of the ASEAN Charter based on the Kuala Lumpur Declaration on the Establishment of the ASEAN Charter and the recommendations of the EPG. It is remarkable that ASEAN has committed itself to changing from soft laws to hard laws. As a former secretary-general cogently puts it: "The Charter would establish the Association as a juridical personality and a legal entity" (Severino 2005: 7).

Table-1 ASEAN Identity: Common Bond

Questions	Indonesia	Malaysia	Philippines	Singapore	Thailand	Vietnam
1) Do people in ASEAN identify with one another?	Yes: 70.1%	Yes: 62,8%	Yes: 52.1%	Yes: 41%	Yes: 50%	Yes: 86%
	No: 28.9%	No: 37.2%	No: 41.1%	No: 59%	No: 33%	No: 14%
2) Is the pace	Too slow:	Too slow:	Too slow:	Too slow:	Too slow:	Too slow:



of ASEAN integration:	64.5% Too fast: 2.8%	64.9% Too fast: 2.1%	61.6% Right: 21.9%	10% Too fast: 5%	45.5% Too fast: 3.6%	26% Too fast: 2%
3) Should ASEAN have a common currency?	Yes: 61.7% No: 27.1%	Yes: 43.4% No: 46.7%	Yes: 58.9% No: 20.5%	Yes: 30% No: 70%	Yes: 35.7% No: 31.3%	Yes: 40% No: 32%

All in all, renowned discussions on the ASEAN community have begun to witness a welcoming effect on regional identity. As Table-1 above indicates, a region-wide poll has found that ASEAN's citizens and residents believe they share a common identity and want the pace of integration speeded up. More specifically, six out of ten of those polled said people in ASEAN identified with one another. Over half said they could speak the language of another ASEAN country. Close to half said they had traveled within the region, and about an equal number said they expected to do so within the next six months (*Straits Times*, December 5, 2005).

## Conclusion

Having analyzed the ASEAN attempts to forge a community, we have come to understand the crucial factors of economic integration, security cooperation and social stability. In promoting these ambitious goals, there are four major problems. These include: (1) the lack of funding; (2) institutional weakness; (3) shift from soft laws to hard laws; and (4) different pace of institutionalization (ISEAS 2004). Some measures have been taken, yet they are not adequate. In order to resolve these problems, it seems imperative that the leadership issue needs to be cleared. As Anwar and Yoshimatsu argue, it is the leadership issue that resolves major integration problems (Anwar 2006, Yoshimatsu 2006). For instance, Yoshimatsu contends that the successful experience of regional integration in Europe has been regarded as a model for similar attempts in other parts of the world. The European nations have established solid and institutionalized mechanisms for inter-state cooperation largely under the leadership role of major states and the creation and advancement of supranational agents.

ASEAN's problems of division, institutional weakness and circumscribed norms can be offset by the realization of the community. However, there are no guarantees that progress will be smooth or if at all, goals will be met. There are clearly many odds in which ASEAN can be divided, its cohesion to be jeopardized, and hence, its ability to be gravely impaired (Eaton and Stubbs 2006). Clearly, we need to generate creative ideas that would provide breakthroughs to realize central goals of a peacekeeping force and deeper economic integration, while recognizing the fact that ASEAN members remain firmly committed to the principle of state sovereignty.

While ASEAN member countries are simultaneously engaged in community building at different levels, all these should be undertaken within the strategy of developing concentric circles

of cooperation. This strategy basically uses the ASEAN Community as the core that would then allow it to participate more effectively in wider circles. In this regard, it is imperative that the ASEAN Community should be established not by 2020 but rather soon.

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