



## Leaders Matter



**Ong Keng Yong**

As ASEAN commemorates the 50th anniversary of its founding, it is timely to reflect on the not-so-commonly-discussed factors that brought about the accomplishments of this regional body in the last 5 decades. As has often been stated, ASEAN's achievements originated from the circumstances prevailing in Southeast Asia during the Cold War and the geopolitics of that time. In fact, a very important consideration in looking at the progress of ASEAN is the quality of the leadership in ASEAN and the vision of the leaders. It has been a remarkable interplay of respective national interests and the regional imperative.

The ideological underpinnings of the first generation of ASEAN Leaders, particularly their fear of being overwhelmed by the communists, moved them to come together and build a new organisation for the region to ensure their countries' political survival and economic development.

These leaders had calculated that having such a regional grouping would facilitate political support and material assistance from the United States to buttress its presence, which would contribute to the thwarting of the ambition of the Soviet Union in Southeast Asia. As Lee Kuan Yew, the founding Prime Minister of Singapore, put it, ‘every Southeast Asian would blanch at the prospect of having American influence displaced by the dominance of another great power. They assume that an American naval task force will continue to be in the region, a factor for regional stability, balancing the strength of the Soviet fleet in the Pacific and Indian Oceans, and safeguarding free access to the Gulf.’

From 1967 until the demise of the Soviet Union in 1991, the ASEAN Leaders of that era coalesced as a group to organise the nascent ASEAN into a useful body to preserve the nation states of Southeast Asia through an apparently neutral role in handling the intrusion of external powers with strategic interests in the region. The Vietnamese invasion of Cambodia in 1978 and the subsequent installation of the Heng Samrin regime in Phnom Penh pushed ASEAN Leaders into a concerted diplomatic initiative at the United Nations (UN). Their goal was to uphold the membership of erstwhile Democratic Kampuchea (DK) in the UN and to deny the Heng Samrin regime from usurping the DK seat at the UN. Speaking at an ASEAN meeting in Bali in June 1979, then Singapore Foreign Minister S. Rajaratnam argued: ‘Remember, if we don’t stand by the people of Kampuchea today, who will stand by us should we have to shout for help ourselves one day?’

The ASEAN Leaders gave different degrees of support in defence of DK, given the horrendous human rights violation of Pol Pot and his Khmer Rouge compatriots in the deposed regime in Cambodia. Yet, there was no doubt that the five founding members of ASEAN – Indonesia, Malaysia, the Philippines, Singapore, and Thailand – hung together for the collective strength to defeat Viet Nam and its proxies. Lee Kuan Yew was the first to write to then Thai Prime Minister Kriangsak Chamanan, also chair of ASEAN, to urge the organisation to stand united and steadfast in supporting DK and pressure Viet Nam to withdraw its troops from Cambodia. DK prevailed at the UN with ASEAN’s support.

Tackling the political and security threats faced by ASEAN was not enough. ASEAN Leaders realised this and soon started to concentrate on economic development to secure peace and stability in Southeast Asia. They articulated that for peace and stability to continue, it was essential to achieve economic growth, national prosperity, and increased links into the global value chain. In 1992, ASEAN Leaders signed the agreement to set up the ASEAN Free Trade Area. This was the formal beginning of ASEAN's persistent move to champion trade liberalisation and market opening as a key plank of the ASEAN agenda.

In the wake of the 1998 Asian financial crisis, ASEAN faced significant competition from the emerging economies of China and India. Foreign direct investment (FDI) into ASEAN shrank by two thirds, and aggregate economic growth dropped by 50%, in stark contrast to China's surging FDI, export, and gross domestic product (GDP) growth. Southeast Asia was seen as losing its competitive edge and ASEAN could no longer compete on low cost of production alone.

Against this backdrop, a few ASEAN Leaders persuaded their counterparts that it was necessary to do a well-researched competitiveness study. Cambodia, the Lao PDR, and Myanmar had newly joined ASEAN but believed that the leaders from Singapore and Malaysia were moving in the right direction by initiating this study. Subsequently, McKinsey & Company was commissioned to undertake the study on the region's competitiveness. To be sure, the ASEAN Leaders were ably assisted by their respective ministers and senior officials from the ASEAN Member States in this endeavour.

In essence, the McKinsey Report estimated that a fully integrated ASEAN could raise ASEAN GDP by 10%, while reducing the operational costs by up to 20%. The report stressed that Southeast Asia would lose out eventually as a result of the competition from India and China, and warned of dire consequences if ASEAN did not become competitive through economic integration. As a follow-up to the ASEAN Competitiveness Study by McKinsey & Company, a high-level task force was established by the ASEAN Economic Ministers to work on a set of recommendations on how to deepen regional economic integration. In fact, the task force recommended that the idea of an ASEAN Economic Community (AEC) be formalised as an end goal of ASEAN economic integration.

It was the Bali Concord II, adopted by ASEAN Leaders at the Ninth ASEAN Summit in October 2003, that marked the official start of ASEAN community building and ushered the grouping along an ambitious path towards creating the ASEAN Community. ASEAN community building did not stop in the economic arena. Different ASEAN Member States had different priorities and if there was to be any meaningful ASEAN community building, the different expectations of the diverse membership in the intergovernmental organisation had to be fulfilled. Indonesia saw itself as a significant leader in the Non-Aligned Movement and wanted more international security issues such as peacekeeping operations, non-proliferation of nuclear weapons, and ASEAN participation in tackling other global concerns to be included in ASEAN cooperation. The Philippines was concerned about social issues like movement of migrant workers and protection of vulnerable groups in the populations of ASEAN.

The 10 leaders who gathered at the Ninth Summit in Bali consisted of economists such as Goh Chok Tong and Gloria Macapagal-Arroyo, pro-business leaders such as Thaksin Shinawatra and Mahathir Mohamad, pro-development leaders like Megawati Sukarnoputri and Phan Văn Khải. However, they managed to overcome their respective preferences and national priorities to sign the Bali Concord II to launch ASEAN community building. The leaders persuaded each other into doing what was best for ASEAN as a collective entity. This demonstrated once again in stark terms that ASEAN is a leaders-led organisation. The ASEAN Leaders had the foresight and vision to do the strategic thing. Therefore, the two other pillars – ASEAN Political–Security Community and ASEAN Socio-Cultural Community – were added to the AEC. Among the three pillars, the AEC has attracted the most attention, with interest focused on the reason for its establishment and the feasibility of its realisation by the target date of 2020.

Goh Chok Tong, then Singapore’s Prime Minister, remarked with regard to economic integration that ‘we must have less talk, more action’. Along the same vein, then Thai Prime Minister Thaksin Shinawatra stated that 2020 was too far away for a more comprehensive integration plan: ‘personally, I wish to see the ASEAN Economic Community[’s] achievements by earlier dates.’ While Thaksin spoke of a very ambitious end date of 2012, Goh proposed 2015 as a more realistic target. Such a statement is indicative of the fact that Singapore and Thailand wanted ASEAN to move more quickly in the direction of economic integration. Eventually,

the competition for FDI was so intense that ASEAN Leaders decided in their summit meeting in the Philippines in 2007 to advance the goal of the ASEAN Community to 2015.

Then President Megawati of Indonesia spoke of the Bali Concord II as a 'watershed' in the history of ASEAN that would produce regional stability for the next two generations of ASEAN peoples. However, the road to community building was not one without obstacles. The implementation of the ASEAN Community was met with operational disagreement among ASEAN Member States. One such instance was when Indonesia proposed the establishment of a regional peacekeeping force to tackle situations of civil conflict and humanitarian crisis in the ASEAN Political–Security Community action plan. Indonesia's proposal was novel in the sense that ASEAN had never been a security body with military-to-military ties previously. As such, some ASEAN ministers voiced reservations about the regional peacekeeping force. To appreciate the difficulty encountered, it is germane to recall their key points of view.

Singapore's then Foreign Minister S. Jayakumar argued that ASEAN was the 'wrong entity to play a peacekeeping role', re-emphasising that ASEAN was not a security or defence organisation. These sentiments were echoed by Viet Nam's then Foreign Minister Nguyen Dy Nien who stated that it was 'too early' to consider establishing a peacekeeping force, and such a peacekeeping force would be fraught with difficulties because 'each country has its own policy about politics and the military.' Thailand's then Foreign Affairs Minister Surakiart Sathirathai also rejected the idea of a peacekeeping force. He was quoted by the Indonesian media as saying that it was unnecessary to form an ASEAN peacekeeping force because 'there is no conflict in the region which would need the mobilisation of such a force'. Then Philippine Foreign Affairs Secretary Blas Ople cited the failure of the Southeast Asia Treaty Organization and warned that it was important that the wider Asian community did not interpret the ASEAN Political–Security Community as a case of ASEAN 'ganging up against anybody'.

While the ASEAN Leaders were engaged in their vision of a community, they also minimised the potential of ASEAN becoming a supranational regional body. For example, they exercised deliberate caution in setting the mandate of the Secretary-General of ASEAN. The Secretary-General's role is not well defined even though there are several references in the

ASEAN Charter. Going forward, can we maintain this laid-back approach in institution building and stick to the limited role of the Secretary-General of ASEAN? To enable ASEAN to have a dynamic role in the rapidly changing regional environment and global situation, it is imperative to start thinking about how the role of the Secretary-General can be redefined in line with the need of the day. The Secretary-General must be able to respond quickly to the issue needing the attention of ASEAN Leaders and to initiate relevant partnerships with all stakeholders, such as non-governmental organisations, to rise to the occasion. Perhaps in the area of humanitarian assistance and disaster relief, the Secretary-General can be given more latitude to move fast in coordinating relief efforts across the region.

In terms of further developing ASEAN as an institution, the main issue is about budget and financial outlay. More innovative ways of raising funds for the ASEAN Secretariat should be considered. For instance, at the level of ASEAN tourism, anybody passing through ASEAN airports on international flights could pay a token surcharge incorporated into the cost of the air tickets. Another idea would be to issue ASEAN postage stamps so people can choose between buying the national stamp or ASEAN stamp. In case of the latter, money from the ASEAN stamp sales could stay within the ASEAN programmes of the respective member countries. Such proposals require further detailed deliberations. The point is to start the necessary discussions to provide more resources for the ASEAN agenda. ASEAN should not rely purely on annual contributions from its member states, and the generosity of ASEAN dialogue and development partners.

To conclude, the role of leaders in setting the ASEAN agenda is the key to ASEAN's success to date. There has been disappointment that the ASEAN leadership is late in responding to new challenges faced by the region. It is also unfortunate that initiatives to increase public awareness and support of ASEAN have been piecemeal and not too effective to date. Nevertheless, the fact is ASEAN has 10 diverse nations and views from them will always differ on various issues of ASEAN cooperation. At the same time, ASEAN Leaders have actually rallied together on threats against the existence of the organisation as an effective regional body. That has been the inherent strength of ASEAN since 1967.

## ABOUT THE AUTHOR

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He was High Commissioner of Singapore to Malaysia from 2011 to 2014. He served as Secretary-General of ASEAN, based in Jakarta, Indonesia, in January 2003–January 2008.

He started his diplomatic career in 1979 and was posted to the Singapore Embassies in Saudi Arabia, Malaysia, and the United States of America (USA). He was Singapore's High Commissioner to India and concurrently Ambassador to Nepal from 1996 to 1998. From September 1998 to December 2002, he was Press Secretary to the then Prime Minister of Singapore, Goh Chok Tong. At the same time, he held senior appointments in the Ministry of Information, Communications and the Arts, and the People's Association in Singapore. From 2008 to 2011, he served as Director of the Institute of Policy Studies in the Lee Kuan Yew School of Public Policy at the National University of Singapore.

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