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<th><strong>Title</strong></th>
<th>ASEAN at 40: the end of a two-speed grouping</th>
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</thead>
<tbody>
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<td><strong>Author(s)</strong></td>
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ASEAN AT 40:
THE END OF A TWO-SPEED GROUPING?

Yang Razali Kassim

6 September 2007

AS ASEAN reaches a critical point in its existence, a key challenge facing the region will be how to maintain its unity and cohesion as it moves forward into the new century. To achieve this, the ASEAN 10 will have to resolve its current dilemma of how to move faster without planting the seeds of its own disintegration in future.

ASEAN AT 40 is, no doubt, at a major juncture in its life. After four decades of existence, it has a track record that is spoken in glowing terms by its supporters but in measured tones, if not biting criticism, by its detractors. Still, it is the only viable regional grouping in this part of the world, giving it influence in shaping the emerging Asia Pacific architecture in this new century. But where should the Southeast Asian grouping go from here? What does it want to be in the next 40 years? More importantly, how should it get there? These are major questions that must be decisively tackled by the leaders of ASEAN as they prepare for the 13th summit in Singapore this November.

The unity imperative

Whatever the answers, one thing is clear – the ASEAN 10 must emerge from this next wave of change intact, united and cohesive. This imperative of unity is, in my view, at the heart of the next ASEAN, without which, no plan for the future, however well-crafted, will be worth the while. Can Singapore, as the new chair of ASEAN pull this through? Why is unity is at the core of the future ASEAN?

ASEAN leaders have, without fail, harped on the coming big challenge – the rise of China and India. Singapore Prime Minister Lee Hsien Loong, in his address on ASEAN in August, has added at least two new competitors – the Gulf region and Eastern Europe. In other words, the survival game, which has become challenging in recent years, is about to get even tougher. In all these years, the battle-cry has been for all ten ASEAN members to pull together as one team, one market and one organization. Yet, we all know that, notwithstanding the positive statements about what ASEAN has achieved, which is just half the picture, not all is well within the grouping.

The other half of the scene shows a bifurcated ASEAN in the making. The original ASEAN 6 – Indonesia, Malaysia, Philippines, Singapore, Thailand and later Brunei -- are more advanced and more prosperous than the newer members who joined after the end of the Cold War. Three of these newer ones – Vietnam, Cambodia and Laos -- are communist states in origin but form the new capitalists within ASEAN, while a fourth, Myanmar, is a unique creature of its own. The one thing certain about Myanmar is that it is a state run by the military, in a governing style that is anachronistic with the times, and out of step with the rest of ASEAN.
The Challenge of membership

Since the post-Cold War unification of Southeast Asia under the ASEAN banner, one major bugbear for the region is that it is moving seemingly along two tracks, and at two different speeds. One, comprising the non-socialist ASEAN Six, is on turbo-charge, at least until the 1997 Asian financial crisis slowed it down. The other, comprising the newer members, is on bullock cart speed, making up like a sub-group of four that are still learning the ropes and adjusting to the ASEAN Way. There are signs that some among the newer members are learning fast. Vietnam for instance, is emerging as a little dragon within ASEAN, attracting investors ala the original ASEAN in the 1990s.

In fact, Vietnam today is the second most dynamic economy in East Asia, growing at a rate that is second only to China, and attracting more foreign direct investment (FDI) than Indonesia or Malaysia. Vietnam could well emerge as ASEAN’s next “poster economy”, proudly displaying the globalizing example of the original ASEAN. Myanmar, on the contrary, remains a challenge. Generally, however, the two-speed phenomenon is a reality which could split ASEAN structurally, and ideologically, if left to its natural trajectory.

With ASEAN so far operating on a consensus basis, collaborative projects are done and agreed through moral persuasion more than the force of law. In other words, agreements may be signed, but nothing much can be done if some parties decide, in an after-thought, to slow down or worse, not to play ball half-way, for whatever reasons. Such things have happened, to the frustration of some members. Unless this is stopped, ASEAN could end up in quite a mess in the long-term.

Price of Solidarity?

Some would say that this is the price of solidarity – the price that ASEAN has to tolerate to realize the unifying vision of its founding fathers. After all, the opportunity of unity brought about by the end of the Cold War would not come a second time. This is certainly true. But it would also be ironic if in unifying the region, ASEAN is to plant the seeds of its future disintegration. It is for this reason that the ASEAN Charter is critical to the future of the regional grouping.

In the years ahead, the new ASEAN will become more rules-based, and therefore more disciplined. Agreements reached between and among member states will have to be enforced, with no room for backsliding, as in the past. In other words, no more shall we see an ASEAN whose agreements on regional cooperation end up more as photo-opportunities than for actual implementation.

But will this end the prospect of a two-tier ASEAN? Not necessarily. The ASEAN charter is meant to gear up the region for greater competition by overcoming the two-speed problem of economic integration. The faster members will be allowed to proceed at their own pace, while allowing the slower ones to join later. This is an extension of the current “10 minus x” principle. But this could also perpetuate the threat of a two-tier ASEAN.

Trick is in a Fine balance

Clearly, more work is needed to fine-tune the new ASEAN. Otherwise, instead of ending the two-speed syndrome, the new ASEAN will only quicken the bifurcation of the grouping, and eventually leading to its own disintegration.

Perhaps what we need is a balance -- between the fear of disunity and the reality of differing capacities. In other words, we may have to accept a new ASEAN which allows the faster ones to forge ahead and the slower ones to join later, but all of them going by and sticking without fail to agreed rules of the game. Those who don’t play ball must know that there is now a price for being off-side.
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