CHAPTER ONE

HISTORICAL OVERVIEW

1.1   South East Asia lies between, and has been influenced by, the two ancient civilisations of China and India; Indian influence predominating in the west and Chinese influence most significant east of the mountain range that runs down the spine of Annam. It is geographically, ethnically and culturally diverse. It covers a mainland area of high mountains and river systems, running north-south from Tibet, southern China and India towards the South China Sea and the Bay of Bengal, which have largely created the migration routes along which waves of people have travelled to settle river valleys and delta regions. South East Asia also includes the archipelagic states of Indonesia and the Philippines, covering over 20 thousand islands. Four major religions have sizeable followings: Buddhism, Hinduism, Islam and Christianity. Ethnic Malays, Mons, Shans, Karens, Chins, Burmans, Khmers, Laos and Thais steadily moved south over a period from 2,000BC to the 13th century AD. There developed small kingdoms and principalities in which disputes over land and power led to constant clashes and shifting boundaries.

1.2   In modern times, the natural diversity and separateness of the peoples of the region have been exacerbated by the European colonial empires that imposed on them a variety of new languages, and unfamiliar legal, economic and social systems. Portugal, Spain, the Netherlands, England, France and the United States all had colonies in South East Asia. In 1494, in the *Treaty of Tordesillas*, Spain and Portugal accepted the proposal of Pope Alexander VI that they divide the known world between them. There were two 'Pope's Lines', one of which ran through South America, the second - on 125 degrees East ran through the Western Pacific, an area still unexplored. East Timor was to the east of the line, most of the Philippines to the west. The Malaccas, later a subject of dispute, was in the Spanish zone according to the Treaty.

1.3   Beginning in 1511, Portugal took Malacca and trading posts throughout the Indonesian Archipelago, including Timor, the only part of South East Asia retained after the end of the seventeenth century. Spain developed settlements in the Philippines. In the 17th century, the Dutch vied with the British and finally consolidated trade and possessions in the Indonesian islands. In the 19th century, British and French colonies were established in the Malay Peninsula, including Singapore and Borneo, and in Vietnam, Laos and Cambodia. The United States wrested control of the Philippines from Spain in 1898. By the 20th century, archipelagic South East Asia encompassed vital shipping lanes between East Asia, the Middle East and Europe.

Decolonisation

1.4   The legacy of empire in the region is complicated and the subject of much debate. However, it is clear that, as a result of the European empires, boundaries were firmly settled into the current configurations of the states of South East Asia, regardless of the ethnic composition of the populations within; that economies were directed to the service of the colonial power, largely the supply of raw materials - rubber, tin, copper or oil; that social and economic distortions developed between the educated elites, often living in growing urban

areas and the more traditional rural poor; that infrastructure developed, urbanisation increased, health and education on European lines were introduced.

1.5	European education contained the seeds of destruction for the colonial empires as it introduced the local elites to concepts of nationalism, national self-determination and revolutionary socialism. Uprisings in opposition to colonial domination occurred in varying intensity and determination throughout the whole period of European colonial control in South East Asia but in the twentieth century, particularly in the period between the wars, there developed a political and philosophical underpinning that created movements for independence. In the Fourteen Points President Woodrow Wilson presented to the peace conference at the end of World War I ideals of democracy and self-determination which appealed directly to the circumstances of colonies throughout the world, even if for the most part these colonies were excluded from their application in the peace settlements at the end of the war.

1.6	Quite appropriately, the nationalist movements in South East Asia began in the countries of traditional influence for the region - in China with the nationalist movement led by Dr Sun Yat Sen and in India with the independence movement led by Mahatma Ghandi. In South East Asia, Japanese occupation during World War II was a catalyst to the demands for independence. Ironically, the Japanese ambition of an East Asian Co-Prosperity Sphere, applied as it was in a harsh, militaristic way and more arrogantly and contemptuously of local people than their former masters, was found to be unacceptable. In the process, however, European invincibility was undermined and Asian self-confidence confirmed. After the war, between 1945 and 1960, there was a rapid withdrawal of European powers from South East Asia. South East Asian nationalism was set against outside influence. It is notable that some exits were more benign than others; some had to be fought for, others were negotiated.

1.7	Burma, Indonesia and the French colonies of Indochina fought for independence when the former colonial powers tried to reimpose their rule after World War II. Burma achieved independence in 1948, Indonesia in 1949 and Vietnam in 1954. The Philippines and Malaya negotiated their independence, the Philippines first in 1946 and Malaya in 1957.[1] Singapore was separated from the Malay Federation in 1965. Brunei was granted independence in 1984. Thailand had maintained its independence throughout the period of colonial rule and Japanese occupation. In all cases, nationalism, in a largely Western form, was the driving force for the independence movements in South East Asia.

1.8	The early years of independence were marked by the twin demands of nation building and post war reconstruction. The process was neither simple nor smooth. Having achieved independence, the new governments of South East Asia were faced with challenges to their legitimacy by communist insurgencies (in Indochina, in Malaysia, in the Philippines and in Indonesia), by border disputes (the Philippines' claims to Sabah, Cambodian claims to parts of Vietnam, Thai claims to parts of north western Cambodia and Malaysian and Indonesian confrontation in the 1960s) and by great power intervention (the United States and Soviet Union intervention in Vietnam and concern about Chinese influence in the region, especially along the border regions and in support of the insurgent communist groups of South East Asia). Poverty was pervasive. Inequality between the western educated elites and the mass of the population was marked.

1	Although the British did not depart until 1960 after the emergency was settled.

1.9   Most states of the region developed authoritarian governments dominated by the military or the communist party. It is arguable that where the settlement of the end to colonial rule was achieved more benignly, as in Malaysia, Singapore or the Philippines, the result was a greater adherence to democratic forms of government; where independence was hard won, in Burma, Indonesia, Vietnam, more authoritarian forms of government evolved out of the struggle.[2] Thailand, alone of the nations in the region, was never colonised.

The Vietnam War and Non-alignment

1.10   The period between 1955 and 1975 represented for South East Asia a time fraught with the dangers of great power competition in the region. The experience of Vietnam, Cambodia and Laos exemplifies the ruinous results of being pawns in the ideological struggle of the Cold War. Both the Soviet Union and the United States gave huge amounts of financial and military assistance to their respective client governments. Consequently, the war in Vietnam was prolonged and intensified, adversely affected the whole of Indochina and increased the sense of vulnerability of the other regional governments and presented them with massive refugee problems.

1.11   Regional governments were faced with a choice and a dilemma. American hegemony could replace colonial spheres of influence or non-alignment and intra regional cooperation could offer a counter weight and a defence against great power competition and intrusion. The scale of US and USSR and Chinese intervention in Vietnam by 1968 was sufficient to encourage significant non-alignment. There were over half a million American troops in Vietnam and more bombs had been dropped on the country than had been dropped by the US in all theatres of war in World War II. The Soviet Union had supplied large numbers of surface to air missiles to the North Vietnamese making the war a grave concern to the world as well as the region. India promoted peaceful coexistence and non-alignment and to South East Asian states regional solidarity appeared to be attractive as an alternative to military alliances.

The Development of Regionalism

Association of South East Asia (ASA) - 1961

1.12   Despite the imperatives of the Cold War, the achievement of strong regional cooperation was neither assured nor straightforward. The states of South East Asia were more different from each other than similar, divided as they were by historical experience, language, culture, ethnicity and old rivalries. Early attempts at regional associations had not been promising. The South East Asia Treaty Organisation (SEATO),[3] 1955-1977, an American organised military alliance, only attracted Thailand and the Philippines from the region and proved ineffective in garnering substantial support from its members for the United States position during the Vietnam conflict.

1.13   Apart from SEATO, there were two organisations that were specific precursors to ASEAN. One was MALPHILINDO and the other, more direct link, was the ASA. In 1961 the Association of South East Asia (ASA) was formed on the initiative of the Prime Minister

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2   There are exceptions to this in the Marcos years in the Philippines and in the military governments in Thailand.
3   Philippines, Thailand, Australia, New Zealand, Britain, France and the United States.

of Malaya, Tunku Abdul Rahman. It aimed to use regional cooperation on economic and cultural matters to strengthen South East Asian countries and thereby defend them from the dangers of communist insurgency and outside intervention. It was implicitly, although not explicitly, an anti-communist organisation and an understanding of this by the neutral, non-aligned states, especially Indonesia and Burma, precluded their membership. Membership of ASA was limited to Thailand, Malaya and the Philippines.

1.14   The stated aims were apolitical and developmental: to create machinery 'for friendly consultations, collaboration and mutual assistance in the economic, social, cultural, scientific and administrative fields; to provide for exchanges of use of facilities and information in these fields; to promote regional studies; to provide machinery for cooperation in resource use, trade promotion, industry and transport; to study problems of commodity trade; and generally to consult and cooperate with one another so as to achieve the aims and purposes of the Association as well as to contribute more effectively to the work of existing international organisations and agencies'.[4]

1.15   ASA created an organisational structure which proved to be adaptable. It comprised a Standing Committee made up of the host foreign minister and the ambassadors from the other two ASA countries to oversee the projects decided upon by the organisation. Regular meetings of foreign ministers were to take place preceded by a joint working party which would provide a review of past activities and an agenda. Meetings and conferences were to rotate through the capitals of member countries. No permanent secretariat was established in the short life of the organisation, but many of the approaches were a starting point for the later organisation, ASEAN.

1.16   ASA almost foundered on the conflict over Sabah that developed between the Philippines and Malaya in 1963. The cool relations lasted for nearly three years from 1963 to 1966. It was a storm that was weathered rather than a conflict actively resolved by the fledgling organisation although the Foreign Minister of Thailand, Thanat Khoman, and the continuing meetings held between officials from both countries provided liaison throughout the period. ASA's achievements were modest: the establishment of channels of communication and a tentative organisational structure.

MALPHILINDO - 1963

1.17   The other organisation of significance that preceded ASEAN was MALPHILINDO, comprising Malaya, the Philippines and Indonesia. Formed in 1963, it was looser in structure than ASA, and intended only as a form of consultation on regional matters. It differed from ASA insofar as Indonesia was a participant and that it emphasised the importance of keeping the region free of foreign bases, a policy strongly advocated by Indonesia's non-aligned status.

ASEAN - 1967

1.18   In 1967, after and perhaps because of the 'change' of government in Indonesia and following the end of the Confrontation between Indonesia and Malaysia, the Indonesian Foreign Minister, Adam Malik, began overtures regarding a new regional association. Thanat

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4   Robert O Tilman, ed. *Man, State and Society: Contemporary Southeast Asia,* Pall Mall Press, London, 1969, p. 508.

Khoman, worked closely with him to persuade other regional leaders, especially a somewhat reluctant Malaysian leader, to expand regional cooperation. The result, in effect, in August 1967, was that ASA became incorporated into an enlarged and renamed organisation, ASEAN.

1.19   If the creation of ASEAN was possible because differences between Indonesia, Malaysia and the Philippines had largely been settled, it was motivated by the concern for security in the region. The war in Vietnam was at its height and super power intervention had escalated that conflict to dangerously destabilising proportions for the region. The communist-noncommunist struggles in Vietnam were a reflection in large of the possibilities each of the states of South East Asia thought they might face from insurgencies fuelled by underdevelopment and poverty. In 1967, development, collective support and insulation from Cold War politics were matters of urgency.

1.20   The Bangkok Declaration of 8 August 1967 is a short and idealistic statement of intentions. It emphasises the need to 'strengthen existing regional bonds'; it talks in terms of 'solidarity and cooperation', of 'equality and partnership' in the search for 'peace, progress and prosperity'. Most notably, it enunciates concerns about 'external interference in any form or manifestation' and that 'all foreign bases are temporary and remain only with the express concurrence of the countries concerned and are not intentioned to be used directly or indirectly to subvert the national independence and freedom of States in the area or prejudice the orderly processes of their national development'. At the end of the Declaration it is made clear that the membership of the Association is to be open to all the nations of South East Asia. At the time, it was signed by ministers from Indonesia, Malaysia, the Philippines, Singapore and Thailand; these were the founding members of ASEAN.

1.21   The Bangkok Declaration set up machinery for the achievement of ASEAN's aims. It was modelled on the ASA machinery and consisted of:

- Annual Meeting of Foreign Ministers, which shall be by rotation and shall be referred to as the ASEAN Ministerial Meeting. Special meetings of foreign ministers may be convened as required;

- A Standing Committee under the chairmanship of the Foreign Minister of the host country or his representative and having as its members the accredited ambassadors of the other member countries, to carry out the work of the Association between meetings of the foreign ministers;

- Ad hoc committees and permanent committees of specialists and officials on specific subjects;

- A national secretariat in each member country to carry out the work of the Association on behalf of that country and to service the annual or special meetings of foreign ministers, the standing committee and such other committees as may hereafter be established.[5]

1.22   Since its creation, ASEAN has developed, slowly at first and more rapidly of late, a web of agreements, declarations, treaties and mechanisms which have sought to enhance

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5   The Bangkok Declaration. See Appendix 4.

regional confidence and improve the cooperation of the members. Gradually ASEAN has moved towards structures for the implementation of policies and projects for regional development.[6]

Zone of Peace, Freedom and Neutrality (ZOPFAN) 1971

1.23   Non-alignment and neutrality and the non-military nature of the Association were reinforced by the declaration of the ASEAN region as a Zone of Peace, Freedom and Neutrality in 1971. The ZOPFAN Declaration was important as a statement of principle rather than as a plan of action. The declaration was issued in the face of international tension and intervention and serious regional conflict. It sought to identify the region to itself and to the rest of the world as an apolitical region of coexistence and mutual understanding. This declaration was agreed to by ASEAN despite considerable argument on the nature of neutrality and its implications for security. Thailand, Indonesia and Singapore expressed doubts about the premature abandonment of the security guarantees offered by the United States. At the same time they all resisted any formal collective security regime in the region. In the event, at the end of the war in Indochina, the American presence remained in the region through bilateral arrangements. Vietnam, albeit outside ASEAN, was opposed to any arrangement that preserved the balance of power as it was in 1975. The zone of peace, freedom and neutrality was a concept only partially realised.

Treaty of Amity and Cooperation 1976

1.24   The intention of developing regional cooperation was more formally defined and more concretely implemented by the subsequent Treaty of Amity and Cooperation developed and endorsed by the Bali Summit of 1976. This treaty was opened to accession to states beyond the region. Papua New Guinea, the only non South East Asian state to do so, acceded to it in 1989.

1.25   The Treaty of Amity and Cooperation reiterated the role of ASEAN as being the peaceful resolution of disputes but also turned attention to economic cooperation and development issues. In a number of respects, 1975 was a watershed in the development of ASEAN. The sudden oil price rises of 1973 had created both problems in the form of general economic recession and opportunities for South East Asian countries, particularly the oil producing countries of Indonesia and Brunei. The end of the war in Vietnam offered an opportunity for the implementation of proposals for economic cooperation, and, while the peace in Indochina was shortlived and the fear of the extent of Vietnamese arms was not lessened, the emphasis on greater activity in the sphere of economic development remained at the fore of ASEAN discussions.

The Period of Consolidation 1975- 1990

1.26   The period after 1975 and the fall of Saigon was also a period of growth and development for ASEAN as an organisation. Building upon the ZOPFAN, the Treaty of Amity and Cooperation (1976) strengthened the commitments of ASEAN states and became 'the seminal statement of what ASEAN aspires to achieve in its political cooperation'.[7]   The

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6   Details of the structure of ASEAN are set out in Chapter 2.
7   DFAT Submission, p. S380.

treaty is a binding treaty, endorsed by the General Assembly of the United Nations. In addition to the Treaty, much was achieved after 1975 by way of structure and process:

- the first meeting of ASEAN Heads of Government (1976) and the subsequent formalisation of regular meetings at the Head of Government level;

- a commitment to settle intra-regional disputes by peaceful means, including a renewed consideration of ZOPFAN;

- improved ASEAN machinery to strengthen political cooperation, including the establishment of an ASEAN secretariat;

- a series of initiatives to commence economic cooperation on a regional basis as well as people to people and cultural cooperation.[8]

Vietnamese invasion of Cambodia - 1979

1.27   The most significant test of ASEAN solidarity came with the Vietnamese invasion of Cambodia in December 1978 and the subsequent Chinese attack on Vietnam in 1979. Although the ASEAN nations had borne the brunt of the distress created by the murderous regime of Pol Pot, they viewed the military action of Vietnam and China as offences against territorial integrity which were potentially dangerous in the precedence they set and the instability they engendered in the region. Both interventions were condemned by joint statements of the ASEAN Foreign Ministers.

1.28   Since the end of the Cold War and the emergence of China from general international isolation, the strategic weight of China has been felt in South East Asia. Chinese suzerainty over South East Asia for at least a millennia is an historical experience that remains powerful. The role of China in supporting communist insurgencies, the seizure of the Paracel Islands from Vietnam in 1974, the Chinese invasion across the border in North Vietnam in 1979, China's growing influence in Burma and the assertive claims to the Spratly Islands have to be understood in the context of this long, historical memory in the region.

The ASEAN Way

1.29   ASEAN has developed a particular style of operation which has been described as flexible and pragmatic. The admonition against interference in the internal affairs of states has been applied as assiduously to the members themselves as it was in the Bangkok Declaration to external powers. In the first eight years of its existence, up to the end of the war in Vietnam, ASEAN devoted itself to confidence building through regular consultation and communication. Given the diversity of the ASEAN states and the magnitude of the security and developmental problems they faced in 1967, the ASEAN way has proved enduring and productive. ASEAN has grown 'organically and not mechanically. ... [O]ne of the strengths of ASEAN is consensus building. Unlike, for example, the European Union where they have regular debates and they divide the house, ASEAN does not divide the house.[9]

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8   ibid.
9   In-camera transcript, p. 21.

1.30   The key features of the ASEAN style, defined by Frank Frost of the Research Service of the Parliamentary Library, are:

> A steady process of cont act and confidence building has been developed to dampen down the considerable bases for conflict among the members.   ASEAN has avoided developing a top heavy organisation and has kept the style of discussions informal;
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> Strong emphasis has been given to the principle of non-interference in the internal affairs of member countries; ...
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> Emphasising economic cooperation as a major focus for the group - but without pursuing programs which would have produced serious disharmony among its very diverse members.   ASEAN also contributed to building an image for Southeast Asia as a stable and benign destination for foreign investment;
>
> Utilising ASEANs collective drawing power to gradually include the major external powers in dialogue - a process begun seriously in 1976 at the Bali summit and now a central feature of ASEAN;
>
> Using the association to take a stand on key regional security issues - especially the Indochina refugee crisis in 1978-1979 ... and over the conflict in Cambodia after Vietnam's invasion in December 1978.

1.31   To put it slightly differently, the ASEAN way was described to the Committee as one that was:

> focused on areas of commonality instead of areas of difference and potential divisiveness ... a framework within which bilateral disputes could be set aside and areas of cooperation identified and expanded ... [and within which p]rocedures of frequent consultation were put in place, out of which evolved a strong tradition of consensus decision making binding all ASEAN members.[10]

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10   DFAT Submission, p. S379.