

CHALLENGES TO MALAYSIA'S 2015 ASEAN CHAIRMANSHIP

by *Jeremie P. Credo*

A decade ago, in 2005, Malaysia chaired ASEAN. During its chairmanship, two notable events took place. First, it hosted the first East Asia Summit (EAS) where heads of states from 16 countries gather together for dialogue on broad strategic, political, and economic issues. Second, it established a mechanism that allows ASEAN leaders and civil society representatives to exchange ideas with one another.

This year, Malaysia is again chairman of ASEAN and, as one of the five founding members of ASEAN, there are high expectations of its capability to establish a stronger ASEAN community, facilitate the fulfillment of the economic integration, and maintain the centrality of ASEAN in the regional architecture. Its ability to lead will be tested as it balances to secure the interests of the region along with its national interests.

The changed geopolitical and economic realities in the region, as evident in the South China Sea disputes and the establishment of a single market and production base for instance, will affect Malaysia's chairmanship in ASEAN. As to how it would be able to adapt and cope with these changes will be looked forward to.

Malaysia's ASEAN priorities

Establishing a people-centered ASEAN is the primary goal of Malaysia this year as is reflected in the overall theme –“Our People, Our Community, Our Vision.” For the longest time, ASEAN has been criticized as an elite-driven and state-centric project. This is illustrated by the fact that activities and projects of ASEAN are only known among experts, political leaders, and government officials but little information is disseminated to the citizens and concerned stakeholders. This low awareness level is a factor hindering the overall achievement of the community building, as expressed by ASEAN's Secretary General Le Luong Minh in his remarks on ASEAN's Community building efforts last March 2013.

The success of the ASEAN Community will not only be reflected in the improvement of people's lives but also how the people take ownership of it. By creating an inclusive environment that welcomes and engages ASEAN citizens in the building process, Malaysia will surely be able to bring ASEAN a step closer to the people. Malaysia's Prime Minister Datuk Seri Najib Tun Razak emphasized that there must be involvement of all sectors in the society in ASEAN activities and processes.

Aside from building a community that values inclusivity, Malaysia is prioritizing and promoting the practice of effective and responsive governance. It also seeks to provide solutions to soft issues such as strengthening ASEAN institutions and mechanisms, environmental protection, empowering women in societies, and providing opportunity for all. In this way, people engagement will contribute towards the development and greater prosperity of the region.

Regional economic integration

Year 2015 marks an important and crucial year for ASEAN as the 10 member states are geared towards the integration and realization of the ASEAN Economic Community (AEC). Among the three pillars of the ASEAN Community, AEC has been the most productive given that ASEAN Member States (AMS) has adopted 80 percent of all measures based on score cards. But, issues related to non-tariff barriers, free flow of skilled workers, and varying levels of development of member states, among others, remain to challenge the regional economic integration.

Malaysia faces tough challenges as it tries to maneuver ASEAN towards the fulfillment of the AEC – common market. Projects and initiatives such as the ASEAN Single Window (ASW), ASEAN Single Aviation Market, and ASEAN Qualifications Reference Framework, among others, created in fulfillment of ASEAN's goal as envisioned in the three pillars of the ASEAN Community, must be more specific, measureable, attainable, relevant and time-bound. Therefore, there is a need to closely monitor the progress of incomplete tasks and make sure that completed ones are even more progressing.

Territorial disputes in the South China Sea

Another crucial issue is the territorial dispute in the South China Sea (SCS) and China's growing assertiveness makes Malaysia's role as ASEAN chair critical balancing national and regional interests will be its greatest challenge.

In March 2014, China conducted military exercises near the James Shoal, a reef that lies within Malaysia's territorial waters and its 200 nautical mile exclusive economic zone. This incident prompted Malaysia to shore up its capabilities by stepping up patrols along its coastlines, expanding the RMN Kota Kinabalu submarine base and announcing its intentions of equipping it with an air defense system, and establishing a naval base 96km away from the James Shoal in Bintulu, Sarawak. As a claimant state in the SCS, Malaysia has preferred quiet diplomacy than taking a tough stance against China despite this incident. Analysts argue that this is due to Malaysia's close relations with China. These two countries have a two-way trade volume that has reached \$106 billion in 2013. Malaysia has become China's third largest trading partner in Asia and its top trading partner in ASEAN.

Malaysia is committed in pushing forth region-wide solutions to the SCS disputes. It looks favorably in the adoption of the Code of Conduct (COC) that will provide a pragmatic framework in managing the disputes peacefully. Ideally, Malaysia would be an effective facilitator for the conclusion of the COC with China given their close relations. However, experts wary that it would likely continue its preventive diplomacy or "low-profile" approach in addressing its maritime territorial disputes. It is in Malaysia's best interest to manage its disputes with China bilaterally than internationalizing it. It will not take the risk of disrupting its beneficial relations with China because any disruption entails economic costs.

Regional architecture

ASEAN has been successful in convening major powers in multilateral platforms such as the East Asia Summit (EAS) and the ASEAN Regional Forum (ARF). Through these platforms, ASEAN is able to lead other states and is simultaneously given diplomatic leverage with its relations with big powers. Also, AMS are able to voice out its interests and thus, it is essential that ASEAN, through Malaysia's leading, will maximize these avenues for dialogues in asserting ASEAN's centrality. It must act towards shaping the regional architecture. Moreover, this year, as Malaysia chairs EAS 10th year anniversary, crafting the agenda will be a significant task. It is expected that it incorporates regional interests into it.

Conclusion

Malaysia's chairmanship happens during exciting and challenging times. Expectations can be quite overwhelming as it straddles between political and economic considerations. Addressing issues related to the economic and socio-cultural pillars will be at the top of Malaysia's list of priorities. Nonetheless, Malaysia must also discuss concerns that are political and security oriented. It must balance hard and soft issues.

Skeptics believe that the deadline for the ASEAN Community will not be met. Hence, it is a challenge for Malaysia to accelerate progress in the achievement of the ASEAN Community and the regional integration. Equally essential to this task is Malaysia's role in formulating the post-2015 roadmap for the community building. Beyond 2015 is the expectation for ASEAN to be a truly people-centered.

Moreover, ASEAN's centrality should not be about rhetorics but must be affirmed by member states. Although the national interests of AMS continue to trample regional ideals in geopolitical and security matters, ASEAN must stay on course and maintain unity despite diversity.

Effective leadership for Malaysia in 2015 means that it must able to find a strategic balance in engaging big powers and AMS; creating avenues by which all stakeholders are comfortable with. In the same way, Malaysia's national interests must not trump over the region's interests. 🌸

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