



EAS in 2017: Disarming Democracy in Asia Pacific



The East Asia Summit (EAS) held its first meeting in 2005, according to the Kuala Lumpur Declaration, ‘for dialogue on broad strategic, political and economic issues of common interest and concern with the aim of promoting peace, stability and economic prosperity’. The use of such terms obscures fundamental biases in support of policies of militarism, and the economic policies of liberalization, deregulation and privatization – i.e., those which deepen the entrenchment of neoliberal capitalism – in the Asia-Pacific, policies which ruling elites frame as solutions to the complex geopolitical problems in the region. This stands in contrast to another option (discussed in the final section of this policy brief): people-centered regional integration.

An important element of EAS is the centrality of the Association of Southeast Asian Nations (ASEAN). EAS serves as an institutional support for the building of the ASEAN community, in which neoliberal policies also figure strongly. EAS

developed out of ASEAN Plus Three (APT, including Japan, China and South Korea in addition to the 10 ASEAN countries), which itself was formed in an effort to respond to the Asian Financial Crisis of 1997, and its focus on financial governance

is evident in its initiatives following the 2008 crisis, which include the Chiang Mai Initiative Multilateralization (CMIM), the Asian Bond Markets Initiative (ABMI), the Asian Bond Fund (ABF) and the debate concerning the Asian Currency Unit (ACU).

The EAS, though it operates under the principle of ASEAN centrality, stands apart from the APT due to its being a more formal body, and including a broader set of members. While it also advances economic interests – e.g., it is an important forum for the negotiation of the Regional Comprehensive Economic Partnership (RCEP) – it also places a strong emphasis on security issues. In fact, Rozman (2012, 30) writes, *‘With five great powers and the right mix of actors, it would likely overshadow the Asia-Pacific Economic Cooperation (APEC), ASEAN Plus Three and ASEAN Regional Forum (ARF) as the second major international organization after the United Nations Security Council, capable of addressing the most urgent challenges to global security multilaterally’*.

While it is true that ASEAN and EAS may be means by which ruling elites in Southeast Asia might position themselves more advantageously against more developed country business interests, it is also clear that the neoliberal policies prescriptions, which are inherited from the US-dominated World Bank and International Monetary Fund (IMF), will not produce equitable and sustainable development results – which even the IMF at this point seems to have begun to recognize (Ostry et al. 2016). This must be kept in mind when considering the Manila Action Plan to follow from the EAS in November concerning key EAS cooperation areas (List 1).

This policy brief outlines significant problems in some of these areas with a focus on the development impact of economic and security policies. Decisions by Asia-Pacific ‘middle states’ (i.e., most Southeast Asian countries) on these issues are influenced by considerations of their self-positioning vis-à-vis competing dominant states in the region: the US and China. This is one of the factors

LIST 1

Priority Areas of Cooperation

- Energy
- Education
- Finance (resilience to further shocks; closer collaboration with IFIs)
- Global health including pandemics
- Environment and disaster management
- ASEAN connectivity (economic integration, quality infrastructure)

Other Areas of Cooperation

- Maritime cooperation
- Counter terrorism and violent extremism
- Non-proliferation
- Poverty alleviation
- Economics (ongoing process for swift conclusion of RCEP)

Regional and International Issues

- South China Sea
 - Korean Peninsula
 - Terrorism
-

Militarism pacifies people's resistance to systemic inequities, fostering conditions for extension and entrenchment of neoliberal capitalism – liberalization, deregulation and privatization. In this sense, militarism, to an extent, serves the function of countering economic stagnation in capitalist nations, while maintaining dominance over others.

explaining the move towards the implementation of policies that do not show evidence of yielding equitable development results – despite poverty alleviation being considered by EAS to be a priority area of cooperation.

One must recognize US and Chinese actions to dominate Asia-Pacific as those of established or, in the case of China, budding, imperialist nations. Capitalist nations have always exhibited expansionist tendencies and a growth orientation (which is not at all the same as a genuine development orientation). Militarism pacifies people's resistance to systemic inequities, fostering conditions for extension and entrenchment of neoliberal capitalism – liberalization, deregulation and privatization. In this sense, militarism, to an extent, serves the function of countering economic stagnation in capitalist nations, while maintaining dominance over others.

From the period during the Cold War until the 1990s, the US was clearly dominant in Asia-Pacific militarily and economically. It was the leading provider of military support, and was the most significant source of trade and investment. The military structure was established by means of bilateral security agreements – the treaties with Japan and South Korea being of great importance. In Southeast Asia, Vietnam and the Philippines have particularly strong security ties to the US.

The US, while still important in the region as a source of trade and investment, has been surpassed in this regard by China, which rose to a dominant trade position after its

accession into the WTO in 2001. China has become the dominant trading partner in Japan, South Korea, Australia and Indonesia, and competes with the US neck and neck in the Philippines and Singapore. For ASEAN countries as a whole, China surpasses the US in terms of the share of trade.

US security dominance and Chinese economic dominance contribute to a situation of dual hegemony and reinforces competition between the US and China in the region. This competition manifests itself in the dynamics between, on the US side, the Asia Pivot (formerly featuring the Transpacific Partnership) and, on the Chinese side, the Belt and Road Initiative (BRI), of which the ASEAN-proposed Regional Comprehensive Economic Partnership (RCEP) is one element. The EAS in November may have important implications for the balance of this dual hegemony, the US's Asia pivot and the China-led RCEP.

EAS/ASEAN AND RCEP: INTEGRATION WITHOUT DEMOCRATIZATION

Indicating EAS priorities for November, the 'economics' sub-section of the Chairman's Statement of the recent EAS Foreign Ministers' Meeting consisted of a single paragraph: *'The Ministers acknowledged the ongoing process aiming for a swift conclusion of negotiations toward establishing a modern, comprehensive, high quality and mutually beneficial Regional Comprehensive Economic Partnership (RCEP), to facilitate*

In keeping with AEC's liberalization of services, the RCEP treats services as commercial products. This stands in contrast to the responsibility of the government, as the body charged with protecting and providing for the social interest, to take into consideration the social, development and environmental dimensions of services when making policies and laws.

economic exchanges among ASEAN and its Free Trade Agreement partners' (§34). ASEAN first proposed the RCEP in 2011, and released its Framework for RCEP at the EAS of that year. It is seen as a means of advancing the ASEAN integration in line with the ASEAN economic community.

ASEAN Economic Community: Foundation for the RCEP

Since the 1990s (i.e., before the RCEP), the ASEAN Economic Community (AEC) has been an important part of this integration effort, centering in its agenda the aim of a unified Southeast Asian market and production base. This would entail greater liberalization of goods, services, investments, capital and skilled labor. The negative impacts associated with such policies are stark:¹

1. Removal of tariff and non-tariff barriers associated with the liberalization of goods would deprive countries of a development tool, which has been historically important in the development of now-developed countries.
2. The liberalization of services policy, aside from similarly being detrimental to the tested development option of using the service sector to support infant industries, makes no distinction between public and private (and hence between economic and social policy), which poses a serious threat to social welfare.

3. The investments policy increases the rights of investors, while diminishing those of citizens, with the investor-state dispute settlement (ISDS) mechanism, e.g., in the ASEAN Comprehensive Investment Agreement (ACIA), being one of the most controversial examples.
4. Greater capital liberalization has already increased vulnerability in the region to debt and liquidity crises (see Akyüz et Yu 2017).
5. Facilitation of skilled labor migration does not entail free movement, but highly regulated migrant labor regimes frequently with poor working conditions.

In policy content, there is much overlap with the RCEP, which is not surprising given that they draw from the same neoliberal playbook. Some have in fact viewed the RCEP as a pathway towards fulfilling the AEC (Fukunaga 2014). As two examples illustrating the continuity between the AEC and the RCEP, consider the policies with regard the services and investment.

In keeping with AEC's liberalization of services, the RCEP treats services as commercial products. This stands in contrast to the responsibility of the government, as the body charged with protecting and providing for the social interest, to take into consideration the social, development and environmental dimensions of services when making policies and laws. The RCEP represents an attack on the ability of the government to act with regard to these dimensions. While the negotiations are still underway, a leaked copy of the services

¹ Summarized from Juego 2014.

TABLE 1. AMOUNT DEMANDED BY INVESTORS BASED ON ACCUMULATED ISDS LAWSUITS*

Country	US\$
India	23.3 billion
South Korea	4.9 billion
Australia	4.2 billion
Vietnam	4 billion
Laos	2 billion
Philippines	1 billion
Thailand	162.9 million
China	16.3 million
Myanmar	6.3 million
Malaysia	5.3 million

*Reproduced from Friends of the Earth (2017).

chapter includes rules on ‘market access’ and ‘national treatment’. The first, among other things, facilitates privatization of social services. The second more explicitly undercuts the ability of government to coordinate national development by prohibiting preference to local suppliers of services over foreign ones, e.g., by means of government grants or loans to these local firms (IBON International 2015).

The investments chapter further entrenches ISDS. This enables foreign corporations and investors to sue national governments to demand compensation for environmental, financial and other social interest policies that are viewed as prejudicial to ‘expected future profits’. Prior to the 1980s, dispute settlements with regard to international investment were handled by interstate proceedings. ISDS provisions, however, undermine national sovereignty by circumventing national courts. While foreign corporations have access to external courts – e.g., the International Centre for Settlement of Investment Disputes (ICSID) – which operate with a high degree of secrecy and are not required to publish awards, local firms have no such rights, and governments are disinclined to sue corporations for abuses and human rights violations. This encourages arbitrators to side with big business to the detriment of social and

environmental policy (IBON International 2015). At present UNCTAD (2017) reports 767 documented ISDS cases. Even measured purely in monetary terms (i.e., not fully accounting for social impact), this has already had enormous costs (Table 1).

RCEP as a Means of Realizing China’s Regional Agenda

While ASEAN Member States (ASMs) chair the Trade Negotiation Committee (TNC), seven RCEP working groups and four sub-working groups, it is frequently pointed out that the RCEP is more China-led than ASEAN-led. The RCEP is, in fact, a crucial element in China’s economic counter-move to the US’s Asia Pivot – its military and economic China-containment strategy. China has named its counter-move the Belt and Road Initiative (initially known as One Belt and One Road), and it represents its ambition to secure and expand economic dominance in the region.

The Belt and Road Initiative (BRI) is meant to establish two trade routes: (1) an economic zone overlapping the historical Silk Road connecting China, Central Asia and Europe; and (2) a maritime Silk Road from China’s east coast, to Southeast Asia,

BOX 1. RCEP: IMPACT ON INDIA*

The potential impact of RCEP on India can to some extent be gauged with respect to the experience of the three FTAs in which India currently takes part: an FTA with ASEAN, with Japan, and with South Korea. Two additional FTAs are in the works with Australia and New Zealand, which cannot be assessed at this time. Looking at the three already-implemented FTAs (active since around 2010), it is evident that, explains Prof. Biswajit Dhar, 'the record has been very dismal – there's only one headline there: very dismal'.

As a result of these FTAs, the trade imbalance in India is several times its exports. The exports from India to RCEP participant countries as a group rose from US\$22.4b (in 2005) to US\$45.8b (in 2016), yet the imports to India from these countries rose from US\$34.0b (in 2005) to US\$130.0b (in 2016). Hence the trade imbalance with RCEP countries has worsened from -US\$11.6b (in 2005) to -US\$84.1b (in 2016). China plays an important role in this, and China will likely gain the most from the completion of the RCEP negotiations.

Consideration of the recent experience of India-China trade yields a sense of the potential consequences of the RCEP for India. In 2004-2005, India's exports to China were US\$5.6b, and the trade deficit with China was about -US\$1.5b. By 2016, the trade deficit has gone up to -US\$51.1b; meanwhile India's exports have grown much more slowly, reaching only US\$10.2b. China's exports to India have increased by more than 9 times and India's exports to China have increased by less than a factor of 2 (see **Table 2**). A country like India needs to be worried about the trade deficit and the current account deficit.

The Indian government has increasingly recognized that there are economic losses resulting from India having some of the highest rates of tariff reductions (WTO Database on Tariffs). This has negative impacts on small and medium enterprises (SMEs). Dhar said, 'I do not see how the government can [. . .] turn around the manufacturing sector with this

kind of open door policy. There has to be a certain extent of tariff protection, some way of supporting the industry, otherwise it will just get completely knocked over. And let us recognize the fact that the big jobs [. . .] can only come from the SME sector. They can't come from the big companies. The big companies are actually shedding jobs'.

The RCEP negotiations place India vis-à-vis Australia and New Zealand, which are big agricultural exporters. This means India will face pressure in terms of its grain and dairy production, and the efficiency of Indian production is not great compared to these countries. Unless something is done immediately – and within the framework of the RCEP, it is unclear what can be done – India will be unable to compete.

The government has emphasized the service sector, particularly the IT sector, but there have also been media reports of massive job cuts in the IT sector. How should the potential services gain for the economy be evaluated? In the services sector, Dhar said, India is 'on the back foot' in the global economy. 'Look at financial services, look at education services, look at telecommunications services. At one point there was a lot of glib talk about health services and education services, where India would be a net exporter of these services. But the point is, in these two sectors, we do not have an adequate number of professionals to serve our own people. How can you actually think of exporting services in these two areas? If it happens it will be very unfortunate because you're leaving your own countrymen to suffer. Now on IT, the scenario is bleak. What you're looking at is job cuts by major companies, and this is just the tip of the iceberg. It's going to be quite significant moving on, and the reason is automation. The kind of robotization that we're seeing today – and this is something that the media has not reported very well – India is among the top countries using robots.'

Civil society groups have been very critical of the lack of transparency regarding the RCEP negotiations. India trade policymaking mechanism 'needs a complete overhaul' and 'there has to be serious consultation with

TABLE 2. INDIA-CHINA TRADE (US\$ BILLIONS)

Years	Export	Import	Trade Balance
2001-2002	1.0	2.0	-1.1
2002-2003	2.0	2.8	-0.8
2003-2004	3.0	4.1	-1.1
2004-2005	5.6	7.1	-1.5
2005-2006	6.8	10.9	-4.1
2006-2007	8.3	17.5	-9.2
2007-2008	10.9	27.1	-16.3
2008-2009	9.4	32.5	-23.1
2009-2010	11.6	30.8	-19.2
2010-2011	15.5	43.5	-28.0
2011-2012	18.1	57.5	-39.4
2012-2013	13.5	52.2	-38.7
2013-2014	14.8	51.0	-36.2
2014-2015	11.9	60.4	-48.5
2015-2016	9.0	61.7	-52.7
2016-2017	10.2	61.3	-51.1

Source: <https://comtrade.un.org/>.

all the stakeholders and the stakeholders should actually drive the agenda'.

'The RCEP countries are looking at early 2018 as the [deadline] for clinching the deal. Unless India takes a position right away, I

think it's going to be a kind of a disastrous venture. So I hope we can all make the government see sense, and take a more realistic position, and a more proactive position, to make our voice heard.'

* Summarized from a video interview with Biswajit Dhar (2017).

to Sri Lanka, to Africa's east coast. Primarily, it will be Chinese companies building the infrastructure along these routes. Ota (2017) summarizes the relationship between the RCEP and the BRI:

While these negotiations are ostensibly aimed at setting regional trade rules, Beijing considers the RCEP to be a key piece of its One Belt, One Road strategy. China's commerce Ministry has often linked the two initiatives explicitly: *"One Belt, One Road is meant to develop industrial and business infrastructure to promote trade and investment with China, while the RCEP is intended to take advantage*

of that new infrastructure by establishing a free trade framework that suits Beijing. If successful, the pact will open up neighboring markets to a flood of Chinese exports. [...] Beijing's diplomatic strategy has focused on using its massive financial resources to attract and influence economically vulnerable countries. [. . .] Although these countries are not important markets at present, China will be able to achieve its short-term goals of tackling domestic overproduction by artificially generating demand for public investment" (Ota 2017).

The function of stimulating external demand for Chinese exports in this

The US entry into the EAS came at an opportune moment for strengthening its influence in the region, given the perceptions of ineffectiveness and lacking legitimacy with regard to other regional institutions that have been looked to for the consolidation of the regional security structure.

context is assigned to the Asian Infrastructure Investment Bank (AIIB), the Silk Road Fund and, more recently, the China-Central and Eastern Europe Investment Cooperation Fund.

EAS/ASEAN AND THE US: FACILITATING MILITARIZATION

Bilateral and other exclusive security arrangements remain a central component of the Southeast Asian security structure. US influence over security policy in the region is already evident from its US alliances, which include UKUSA (UK-US-Australia), ANZUS (Australia-New Zealand-US), and Mutual Defense Treaties such as those with the Philippines, South Korea and Japan (AMPO). Positions for US military bases, facilities, and units in the Asia-Pacific region include (figures in parentheses indicate the number of bases): Pakistan (5), India, Sri Lanka, Thailand, Singapore, the Philippines, Taiwan, Australia (4), South Korea (106), Japan (130), Farallon de Medinilla, Saipan, Tinian, Rota, Guam (31), and Hawaii (Headquarters of the US Pacific Command).

However, the interest in a more inclusive, region-wide structure for security cooperation has been increasing. Efforts at advancing this program have taken place in various forums: APEC, the ASEAN Regional Forum (ARF), ASEAN Plus Three (APT), and the Asian Cooperation Dialogue. 'Minilateral' initiatives include: the Northeast Asian Trilateral Summit and the Trilateral Security Dialogue (TSD).

It was with the EAS in 2011 that the US, along with Russia, found greater formal inclusion in the region-wide security discussions (Emmers 2015). The focus of APEC, over which the US has exerted significant influence, has been on trade liberalization, with only limited discussion of security issues (e.g., the East Timor crisis of 1999). Incidentally, it was also in 2011, in November, that then-US President Barack Obama, speaking before the Australian Parliament, announced a policy of military encirclement of China based upon aggressive maritime and aerial positioning.

Our enduring interests in the Asia Pacific region demand our enduring presence in this region The US is a Pacific Power and we are here to stay As we end today's wars (i.e., defeats and retreats from Iraq and Afghanistan), I have directed my national security team to make our presence and mission in the Asia Pacific a top priority As a result, reduction in US defense spending will not come at the expense of the Asia-Pacific (CNN 2011).

The US entry into the EAS came at an opportune moment for strengthening its influence in the region, given the perceptions of ineffectiveness and lacking legitimacy with regard to other regional institutions that have been looked to for the consolidation of the regional security structure. Of the EAS, echoing many commentators, Emmers writes that the addition of Russia and the United States to the EAS brought 'all the major players who have deep interest (and stakes, it should be added) in the affairs of Asia at the same table'. This means

that the commitments and plans arising from EAS meetings concerning security matters are potentially more effective.

The US's pivot to Asia represents an effort to build an imperial security alliance in Asia to isolate China. Yet, as Simbulan (2016) points out, this effort is *'based on very fragile foundations, because China's trade with India, Indonesia, Japan, South Korea, Pakistan and Vietnam, has surpassed that of the United States. Even Australia, the anchor and linchpin of the US military thrust in Asia, is heavily dependent on mineral exports to China'*. Under these circumstances, its inclusion into the EAS is important for the US in trying to strengthen these fragile foundations. Furthermore, concerns in the region with the issues of terrorism and maritime security are politically expedient for the US interest in consolidating its regional military presence.

RIISING FEAR OF TERRORISM IN ASIA

One consequence of the war on terror was the reinvigoration of US military ties throughout Southeast Asia. The US granted the Philippines the status of a major non-NATO ally, for example. As another sign of the concern with terror, a new security pact, the Lombok Treaty, was signed in 2006 between Indonesia and Australia after their previous pact was revoked by Indonesia in 1999 over the East Timor crisis. Existing institutions in East Asia have in fact taken on 'new' security roles following 9/11 and the 2002 bombings in Bali. Originally purposed for the trade and investment liberalization, ASEAN, the ARF and APEC participated in the campaign against terrorism.

EAS is seen as having the potential to overcome weaknesses in these previous institutions' efforts to organize regional security. The fear of terrorism combined with the perception that the military has the potential to counter-balance Chinese influence, has led to US membership in

EAS and increasing acceptance of US militarization in the region. But within the EAS and ASEAN institutions there is little discussion of the social consequences of this.

Given the US's long history of maintaining global military dominance, many of these consequences have already been well documented. Studies of the US basing presence have yielded reports of military pollution and other forms of environmental degradation, and human rights violations, particularly of women and children. Furthermore, in addition to the current account of 800 bases worldwide, the US has, in the context of the war on terror, established 60 drone bases capable of surveillance and strikes anywhere in the world. The use of these drones has been prominent. In Southeast Asia, the Philippines, particularly Mindanao, has become part of the field of operation. The situation in Mindanao illustrates the danger of escalating militarism under the banner of counter-insurgency programs coinciding with diminishing democratic space. In such circumstances, ruling elites often mobilize military resources for political aims, the counter-insurgency programs serving to legitimize them, with martial law nullifying potential accountability mechanisms.

CONFLICT IN THE SOUTH CHINA SEA

With the Asian Regional Forum (ARF) viewed as unable to respond to tensions in the South China Sea, the EAS has come to be a space for discussing potential resolutions to the issue. But so far, there has been little in the way of concrete movement towards this, apart from the fact that, through EAS and other institutions, dialogue with China and the US on the issue has become regularized creating room for negotiation in a situation that could quickly escalate to war. Maritime cooperation has been included in the Manila Action Plan, but commentators have pointed out that it is in China's interest to avoid any

BOX 2. MARAWI CRISIS

Fear of a transnational reign of terror in the Asia-Pacific has risen with the onset of the Marawi crisis on May 23, 2017 with clashing between Philippine military and groups affiliated with the Islamic State (IS) of Iraq and Levant, including most prominently the Maute group and Abu Sayyaf. This follows the IS's announcement last year of its Asia pivot doctrine in a propaganda video intended for audiences in Malaysia and the Philippines (*Reuters* 2016).

The IS's Asia pivot comes in response to intervention by international powers, especially the US and Russia, across the Middle East and North Africa, which have created a deteriorating strategic landscape for the IS, under which circumstances it increasingly sought havens in other regions of the world.

The new IS strategic doctrine involves the establishment of Wilayahs (governates) throughout the developing world, particularly in Muslim-majority regions of Africa and Asia. Mindanao figures as an important location for this agenda with various Jihadist groups under the leadership of Isnilon Hapilon being recognized by IS and seeking to establish the Daulah Islamiyah Wilayahul Mashriq (Islamic State—Eastern Region).

IS-affiliated organizations appear to be experiencing resurgence since suffering setbacks during 2002-2015. A report by the Kalinaw Mindanao Interfaith Humanitarian Mission (KMIM) finds that *'as the government stepped up aerial strikes leading to the destruction of swathes of homes and infrastructure, the number of ISIS-affiliated terrorists have actually increased rather than decreased'* (2017, 4). The report, which noted a total of 325,294 internally displaced persons, was the result of a fact-finding and relief mission in Marawi, Maguindanao and Davao del Sur.

Furthermore, President Rodrigo Duterte has been the target of widespread criticism for his deployment of military resources, not against IS-affiliated groups, but against civilians in the form of extra-judicial killings under the banner of the war on drugs, the counter-insurgency program *Oplan Kapayapaan* and the declaration of martial law in Mindanao presented as a response to the Marawi crisis.

In Marawi, the report found the following to be common human rights violations: forcible evacuation, aerial bombardment, indiscriminate bombardment, destruction of properties, divestment of properties, violation of domicile, use of civilian facilities for military purposes, threat, harassment, intimidation, death in evacuation, and other killings. These were also found to varying extents in Maguindanao, Mantanao in Davao Del Sur, and Barangay Salat in North Cotabato.

Given that US support is already reported to include 'aerial surveillance and targeting' despite the fact that the US has so far refused to provide details about its role (*Reuters* 2017), there is a need to investigate the US military and covert operations in the Philippines. The US maintains at least 300 to 500 troops in the country in addition to 50 to 100 Special Forces (*ibid.*).

One factor in the IS resurgence is undoubtedly the deadlock in the Peace Process following the Mamasapano Massacre in 2015, which coincided with the IS pivot to Asia. The failure to continue the Peace Process marks disengagement on the part of the Philippine government with the MILF, and other Moro organizations that are against IS influence in the region. Interface with community members and people's organizations, in addition to putting the Peace Process back on track is key to bringing resolution to the conflict as it provides a means of addressing its socio-economic roots.

With the Asian Regional Forum (ARF) viewed as unable to respond to tensions in the South China Sea, the EAS has come to be a space for discussing potential resolutions to the issue. But so far, there has been little in the way of concrete movement towards this, apart from the fact that, through EAS and other institutions, dialogue with China and the US on the issue has become regularized creating room for negotiation in a situation that could quickly escalate to war.

binding mechanisms in agreements on the matter so that it can continue to exert a de facto dominance over the waters. Tensions meanwhile continue to rise, as illustrated by an arms race between China and the US (Tian et al. 2017). The South China Sea conflict is a significant locus in this.

China's unilateral claim to a major part of the South China Sea under its Nine Dash Line was discredited in 2016. Five arbitrators of the Permanent Court of Arbitration (PCA) of the United Nations Convention on the Law of the Sea (UNCLOS) declared unanimous agreement with the Philippines that there 'was no legal basis for China to claim historic rights' (UNCLOS PCA 2016). Yet China has insisted on not recognizing this ruling.

The US has meanwhile sought to insert itself into the conflict. Manifestations of this include: (1) a new US-Australia military agreement to deploy 2,500 US marines with ships and warplanes to Darwin in Australia, positioned towards China; (2) a major naval build-up in the South China Sea and the Pacific; (3) then-US State Secretary Hillary Clinton's visits to China, the Philippines and Brunei seeking involvement in their maritime disputes. US involvement has also had its share of consequences. For example, a USS Guardian, on a mission to install a Surveillance Towed Array Sensor System, caused severe damage to an environmentally protected area in the Philippines with the most extensive coral reefs in the world.

Rather than condoning militarization while undermining democratic space, EAS and ASEAN should compel Chinese adherence to international law and withdrawal of its claim under the Nine Dash Line. This should be done by means of solidarity among Southeast Asian states rather than reliance, as the US hopes may be the case, upon the US Army and Navy as the means of securing compliance with the Arbitral Tribunal (see Simbulan 2016).

TOWARDS DEMOCRACY IN ASIA: PEOPLE-CENTERED REGIONAL INTEGRATION

This brief has emphasized two core biases underlying the policymaking of EAS and ASEAN more generally. On the economic side, EAS draws from the standard set of neoliberal policy prescriptions. This involves presenting the market as the catchall solution, in fundamentalist fashion, and in the face of mounting evidence to the contrary (e.g., Ostry et al. 2016). On the political side, there is an increasing militarization. Though ruling classes seek to legitimize this with reference to a real and rising threat of terrorism, it is clear that there is another threat that is real and rising. This is the use, by elites, of military resources against civilians. Both categories of policies, economic and political, being forwarded by the EAS are usefully understood as affronts on people's rights.

Regional integration should primarily put the people's rights at the core of policies and operations, instead of giving corporations more power and control over resources to amass greater profits. It should serve to lessen inequality within and among countries and enable the region's peoples to live in peaceful coexistence without threat of aggression.

Regional integration should primarily put the people's rights at the core of policies and operations, instead of giving corporations more power and control over resources to amass greater profits. It should serve to lessen inequality within and among countries and enable the region's peoples to live in peaceful coexistence without threat of aggression. These aspirations call for veering away from the market-led path of neoliberal globalization that has only benefited local elites, TNCs, and the global powers led by the US, which also seeks to secure both its economic and military hegemony in the ASEAN.

Two frameworks for alternative regionalism that should be looked into are the 1955 Bandung Asia-Africa Conference and Bolivarian Alliance for the Peoples of Our America (ALBA).

The Bandung Conference was a meeting of Asian and African states organized by Indonesia, Burma (Myanmar), Ceylon (Sri Lanka), India, and Pakistan that took place on April 18-24, 1955, in Bandung, Indonesia. In all, 29 countries representing more than half the world's population sent delegates. The purpose of the meeting expanded beyond decolonization of the South towards developing rules of conduct in international affairs and exploring ideas and avenues for economic cooperation. The spirit of the Bandung Conference led to the demands of developing countries to create the New International Economic Order in the 1970s in order to reform the global economic system in favor of Third World countries.

While the Bandung Conference did not intend to form a 'regional trading bloc',

the formation of ALBA five decades later was established to counter the US-led Free Trade Area of the Americas (FTAA) and the WTO. The current membership, in order of accession, is composed of Venezuela, Cuba, Bolivia, Nicaragua, Dominica, Ecuador, Saint Vincent and the Grenadines, and Antigua and Barbuda.

ALBA offers, as alternative to the FTAA and the WTO, a platform of political, economic and social integration based on solidarity, complementarity, justice and cooperation, premised on the goal of eradicating inequality through a people-centered development model. ALBA's 'cardinal principle' is that of the 'widest solidarity' among the peoples of Latin America and the Caribbean.

ASEAN integration must be drastically slowed down (if not postponed indefinitely) and at the same time must be subjected to general rethinking and more democratic review processes in order to avoid worse violations of people's rights and sovereignty that is already happening in the region, and to prevent more aggressive foreign corporate takeovers of the region's resources. Becoming an economic superpower that would benefit local elites and TNCs while impoverishing the people should not be the end goal of ASEAN integration. Rather, integration must transform the ASEAN into a region that is truly people-centered by abandoning the market-led growth strategy and focusing more on people's concerns such as food sovereignty, climate change, and respect for human and collective rights. ASEAN states must ensure the following

principles and recommendations for regional integration to benefit the people:

- **Uphold people’s sovereignty and human rights.** The people of each nation are the source of sovereignty, from which national governments must derive and continuously validate their authority. Governments are thus entitled to sovereign rights as the legitimate representatives of the people only as long as they fulfill their duties to them, including the duty to protect and fulfill the people’s rights, both individual and collective rights, among others. ASEAN states must end policies, laws and institutional practices that violate the people’s rights and especially those that work against poor, marginalized and disadvantaged groups, against CSOs that work among them, and against social or political movements calling for reforms. The freedom of speech, a free press, the right to assembly and association, and the right to vote and be elected to public office must be fully guaranteed.
- **Inclusiveness and democratization of decision-making** recognizes the equality and sovereignty among nations and peoples. Token or merely procedural participation should be replaced by truly democratic and substantial participation of the people through civil society organizations (CSOs), grassroots organizations, and social movements, at all levels of policy-making, implementation, monitoring, and review. States must actively engage full citizen participation in policy formulation, implementation and accountability at local and national levels, and ensure the inclusion of traditionally underrepresented groups such as women, basic sectors (workers and farmers), youth, disabled persons, ethnic minorities and indigenous peoples.
- **Solidarity, cooperation and complementarity among states** should be pursued instead of economic competition. In so doing, a productive, efficient and competitive specialization may be promoted in ways that are compatible with each country’s balanced economic development, strategies for eradicating poverty, and people’s cultural or ethnic identities. Economic cooperation and integration should value, respect, protect and fulfill people’s rights; economic, social, gender, ecological and climate justice; self-determination and self-sufficiency. ASEAN can learn from ALBA, for example, in addressing the need for *‘special and differential treatment which takes into account the level of development of the various countries and the dimension of their economies, and which guarantees the access for all the nations that take part in the benefits that stem from the process of the integration’*. Cooperation and solidarity are translated into special plans for the least developed countries to maximize the benefits of integration.
- **Friendship and peaceful coexistence** recognizes the right of states and their peoples to live in peace and harmony with other nations and peoples, without threat of aggression. It also recognizes the right of states to self-defense when their sovereignty is attacked. Settlement of all international disputes by peaceful means must be institutionally upheld and supported, such as by negotiation, conciliation, arbitration or judicial settlement as well as other peaceful means of the parties’ own choice, in conformity with the UN Charter.
- **Environmental sustainability** recognizes the right of the people to live in a healthy environment and the importance of safeguarding the Earth’s carrying capacity as key to sustainable development. Pursuing environmental sustainability should be directly linked to economic activities, should go into the direction of eliminating wasteful and

In the field of the economy, the RCEP must be scrapped in favor of trade practices that respect the principles of the people-centered approach. For many developing countries, these must be consistent with long-term comprehensive national industrialization and rural development programs, which are economic conditions for the realization of many human rights, particularly the Right to Development.

pollutive patterns of production and consumption, and should be integral to and enforceable within the institutions of the ASEAN and its member states.

- **Accountability of governments and private sector.** The huge lack of effective mechanisms in place or being set up in the regional integration plans to ensure accountability from both governments and private sector must be urgently addressed both by the ASEAN and its member states. Accountability mechanisms are important to make governments and private sector accountable to their commitments and actions. Likewise, CSOs must have meaningful participation in these accountability mechanisms.

In the field of the economy, the RCEP must be scrapped in favor of trade practices that respect the principles of the people-centered approach. For many developing countries, these must be consistent with long-term comprehensive national industrialization and rural development programs, which are economic conditions for the realization of many human rights, particularly the Right to Development. Inclusiveness and democratization of decision-making in this context means

that the government must establish mechanisms that maximize the agency of people and their organizations in determining development directions and articulating national needs. Against neoliberalism, these national needs should be prioritized over foreign markets.

In the political field, rather than condoning militarization while undermining democratic space, EAS and ASEAN should take a rights-based approach in responding to conflict. As concerns the rising threat of terrorism, it is important to correctly identify the socio-economic factors that motivate terrorist attacks and involve people and their organizations in efforts to make decisions and move forward with the implementation of measures to address these factors. Clear in the case of the Philippines, this will often mean committed engagement to a peace process. Effectively responding to both the threat of terrorism and the South China Sea dispute will require the improvement of ties among nations without becoming pawns of big powers like the US or China. As Simbulan suggests (2016), the spirit of seeking to settle disputes in a peaceful and harmonious manner was evident in Southeast Asian Nuclear-Weapons Free Zone and the ASEAN Zone of Peace, Freedom and Neutrality.

REFERENCES

- Akyüz, Y and V. Yu (2017), 'The Financial Crisis and the Global South: Impacts and Prospects', South Centre Research Papers, 76, https://www.southcentre.int/wp-content/uploads/2017/05/RP76_The-Financial-Crisis-and-the-Global-South-Impact-and-Prospects_EN.pdf.
- Dhar, B. (2017 May 19), 'RCEP: A disaster for India and its People', *Newsclick.in*, <https://newsclick.in/rcep-disaster-india-and-its-people>.
- Fukunaga, Y. (2014), 'ASEAN's Leadership in the Regional Comprehensive Economic Partnership', *Asia & the Pacific Policy Studies*, 2(1), pp. 103-115.
- Fukunaga, Y. and I. Isono (2013), 'Taking ASEAN+1 FTAs towards the RCEP: A Mapping Study', *ERIA Discussion Paper Series*.
- Friends of the Earth (2017), *The Hidden Costs of RCEP and Corporate Trade Deals in India*, Hyderabad, India: FOE.
- IBON International (2015), *IBON Primer on: 21st Century Free Trade Agreements*, Quezon City: IBON International.
- IBON International (2015 Apr.), 'ASEAN Community 2015: Integration for Whom?', *IBON International Policy Brief*, Quezon City: IBON International.
- Juego, B. (2014 Jan.), 'The ASEAN Economic Community Project: Accumulating Capital, Dispossessing the Commons', *More or Less: Development Debates in Asia*, 2, pp. 12-19.
- Kalinaw Mindanao Interfaith Humanitarian Mission (2017 Jun. 21), 'Mission Statement National Interfaith Humanitarian Mission', <http://davaotoday.com/main/wp-content/uploads/2017/06/Kalinaw-Mindanao-Mission-Statement-FINAL.pdf>.
- Ostry, J., P. Loungani and D. Furceri (2016 Jun.), 'Neoliberalism: Oversold?', *Finance & Development*, pp. 38-41, Washington, DC: IMF.
- Ota, Y. (2017), 'Think the RCEP is about free trade? Think again', *Nikkei Asian Review*, <https://asia.nikkei.com/magazine/20170427/On-the-Cover/Think-the-RCEP-is-about-free-trade-Think-again>.
- Reuters (2016 Jun. 25), 'ISIS announces Asia pivot in propaganda video targeting Malaysia, Philippines', <https://www.rt.com/news/348302-isis-asia-attacks-propaganda/>.
- Reuters (2017 Jun. 10), 'US battle as Philippines takes losses in besieged city', <https://uk.reuters.com/article/uk-philippines-militants-usa/u-s-joins-battle-as-philippines-takes-losses-in-besieged-city-idUKKBN191066>.
- Rozman, G. (2012), 'East Asian Regionalism', *Routledge Handbook of Asian Regionalism*, eds. M. Beeson and R. Stubbs, pp. 22-32, London: Routledge.
- Simbulan, R. (2016 Jul.), 'The Strategy of US Militarism in Asia and the Pacific', pamphlet, Quezon City: Philippine Anti-Imperialist Studies and Linangan ng Kulturang Pilipino (LKP).
- Tian, N. et al. (2017 Apr.), 'Trends in World Military Expenditure, 2016', SIPRI Fact Sheet, <https://www.sipri.org/sites/default/files/Trends-world-military-expenditure-2016.pdf>.
- UNCLOS PCA (2016 Jul. 12), 'Press Release: The South China Sea Arbitration', The Hague, <https://pca-cpa.org/wp-content/uploads/sites/175/2016/07/PH-CN-20160712-Press-Release-No-11-English.pdf>.

Photos
ASEAN 2016

[Wikimedia Commons](#)



IBON International
engages in capacity
development for people's
rights and democracy
around the world.

3rd Floor IBON Center
114 Timog Avenue,
Quezon City
1103 Philippines
Tel +632 9277060 to 61
local 203 & 207
Fax +632 9276981

Email
[editors@
iboninternational.org](mailto:editors@iboninternational.org)

Web
iboninternational.org
