



UNIVERSITAS  
ISLAM  
INDONESIA

# PROCEEDINGS

Towards the ASEAN Community :  
Assessing the Southeast Asia's Integration

PROCEEDINGS

ICOSEAS

Yogyakarta, December 4, 2015



ICOSEAS  
International Conference  
on Southeast Asian Studies

Yogyakarta, Indonesia, December 4, 2015

# **PROCEEDING ICOSEAS**

**2015**



**Toward the ASEAN Community:  
Assessing The South East Asia`s Integration**

Proceeding Books

By Department of International Relations,

Faculty of Psychology and Social Sciences

Universitas Islam Indonesia

For the International Conference on South East Asian Studies

Volume I,

**EDITORIAL BOARD**

**Advisor :**

Irawan Jati, M.Hum, MS

**Head :**

Hangga Fathana, MA

**Editor :**

Hasbi Aswar, MA

**Managing Editor :**

Gustrieni Putri, MA

Enggar Furi Herdianto, M

Karina Utami Dewi, MA

**Design & Layout :**

Widodo HP

Februari 2016, Printed in Yogyakarta

**ISBN:**

9772443331003

**Published by:**

Department of International Relations

FPSB Universitas Islam Indonesia Yogyakarta

**Host by:**

Department of Internasional Relations, FSPB UII



## FOREWORDS

Southeast Asia Study has become increasingly significant. This is due to the fact that Southeast Asia is a highly dynamic region which centered on ASEAN as the economic powerhouse. The existence of ASEAN has changed the international architecture of Southeast Asia from distrust to community commitment to create the prosperity and stability to the region. However, ASEAN commitment to advance the region is challenged by some issues. The first is the question of ASEAN commitment on human rights issue, as shown in the case of irregular or forced migration of Rohingans from Myanmar. The second issue is the disparity of political systems and economic capacity among ASEAN members. At this point, ASEAN member states are generally divided into two groups, the founding fathers (Indonesia, Malaysia, Singapore, Thailand, the Philippines) and new members (Brunei Darussalam, Cambodia, Laos, Myanmar, and Vietnam). The founding fathers states are economically more stable compare to the new members except Brunei Darussalam. It takes ASEAN to adjust some of its economic policies. The third challenge is the United States and China contest in Southeast Asia. This is probably the most challenging aspect of ASEAN in which it should play smart diplomacy in dealing with both major powers. Therefore, the International Conference of Southeast Asia Studies is set to take part in identifying and analysing key issues surrounding Southeast Asia.

Yogyakarta, December 2015  
Department of International Relations  
Chairperson,

Irawan Jati

## TABLE OF CONTENTS

Foreword.....	v
Table of Contents .....	vi

### CHAPTER I : POLITICAL ISSUES IN ASEAN INTEGRATION PROCESS

1. ASEAN Political Security Community: Problems, Challenges, and Prospects <i>Ludiro Madu</i> .....	1
2. A Threat towards ASEAN Community: "Brain Drain" as an Effect of Southeast Asia's Integration <i>Septyanto Prakoso, Niki Wahyu Sayekti</i> .....	15
3. China and the ASEAN: A Need for Shifting Paradigm <i>Dedi Dinarto</i> .....	29
4. Regional Trade Blocs and Development Cooperation: Examining the ASEAN Economic Community as a Facilitator of South-South Development Assistance <i>Tanner Boisjolie</i> .....	43
5. Diplomatic Governance initiatives on Formulating and Articulating Indonesian foreign Policy <i>Ratih Herningyas, Surwandono, Tulus Warsito</i> .....	61
6. Environmental Paradiplomacy: Utilizing ASEAN Cooperation on Environmentally Sustainable City as a Tool to Achieve an Integrated Sustainable Region <i>Ario Bimo Utomo</i> .....	73

### CHAPTER II ECONOMY ISSUES IN ASEAN INTEGRATION

7. The Emerging Importance Of Asean Defense Ministerial Meeting In Strengthening Asean Economic Community: A Political Economy Of Security Analysis <i>Semmy Tyar Armandha</i> .....	93
8. "MIOP" (Microalgae Integrated Offshore Plant) Optimization of Biodiesel Production In Indonesian Offshore Area By Utilizing Microalgae as One Of Prime Export Commodities to Face <i>Agus Candra, Eka Pertiwi</i> .....	107
9. ASEAN Japan Comprehensive Economic Partnership and its Contribution to Southeast Asia Regionalism, <i>Ambar Retnosih Widyantini</i> .....	115

### CHAPTER III: SOCIAL, CULTURAL & MEDIA ISSUES IN ASEAN INTEGRATION

10. Conflict Prevention through ASCC: The Power of its People, Impact for Regional Peace and Security.  
*Emil Radhiansyah, Jerry Indrawan* .....133
11. Managing Cultural Diversity of Southeast Asia: ASEAN Socio-cultural Community Framework  
*Jusmalia Oktaviani, Teguh Puja Pramadya* .....147
12. Higher Education in Post Conflict Area toward Southeast Asia Integration: Study Case on Nanggroe Aceh.  
*Randhi Satria, Nyphadear Tiara S.A.P, Wiwit Putri Handayani* .....161
13. Enhancing ASEAN Integration: The Role of AYLA as a Youth Organization to Participate in ASEAN Integration.  
*Panji Raga, Muh. Hidayat Hasan* .....175
14. Strengthening Asean Women’s Partnership in Dealing With The Effects of Forest Fires in Southeast Asia.  
*Dina Oktarina, Yasinta Dewi, Salieg Luki Munestri* .....189
15. Enhancing ASEAN Financial Literacy for Better Economy and Shared Prosperity  
*Kiky Srirejeki* .....203
16. PKPU (Pos Keadilan Peduli Umat) As a Role Model for Philanthropic Organization in Southeast Asia.  
*Adhitya Choirul Latif, Nyphadear Tiara S.A.P, Leni Winarni* .....215
17. The News Coverage of Indonesia Media toward AEC  
*Heditia Syahputri Damanik* .....229
18. Nasakom Politic of Soekarno in 1960-1967 (Literature Study of Politic, Social, and Economic Situation).  
*Tri Septiana Kurniati* .....241



**CHAPTER I:**  
**POLITICAL ISSUES IN ASEAN**  
**INTEGRATION PROCESS**



# ASEAN POLITICAL SECURITY COMMUNITY: PROBLEMS, CHALLENGES AND PROSPECT

*Ludiro Madu, MSc.*

Dept. of International Relations UPN "Veteran" Yogyakarta

Email: ludiro@gmail.com

## **ABSTRACT**

*This paper seeks to understand the dynamics of ASEAN Political Security Community (APSC) in managing on-going and potential conflicts and establishing regional peace in Southeast Asia. Particular elaboration will focus on its problems, challenges, and its prospects for building security community among ASEAN's member states. The APSC is designed to promote political and security cooperation among the ASEAN member states and seeks to make it possible for the member states to live in peace with one another and with the world at large in a just, democratic and harmonious environment. Unfortunately, various intra- and inter-state conflicts occurred since its establishment which, in turn, challenges the efficacy of ASPC in managing and solving those problems. ASEAN has done various efforts for building regional institution with the purpose of taking care of specific regional issues, such as ASEAN Convention on Countering Terrorism (ACCCT), ASEAN Humanitarian Action (AHA) Center, ASEAN Agreement on Transboundary Haze and Pollution (AATHP), ASEAN Intergovernmental Convention on Human Rights (AICHR). Those regional institutions have helped ASEAN member states in promoting traditional and non-traditional security threats among them. However, institutional efforts that the APSC has done seems to find unresolved problems, such as border problems, transnational drugs and human trafficking issues, illegal fishing, and conflicted claims between some ASEAN members and China. The fact that APSC has built some regional mechanism for managing specific problems has found reality of emerging new unfinished problems. Consequently, APSC has to deal with its uncertain prospect in building regional stability approaching the implementation ASEAN Community by the end of 2015.*

**Keywords:** ASEAN, APSC, Security Community, regional regimes

## **Introduction**

One of the most important developments in preparing ASEAN Community 2015<sup>1</sup> is the dynamics of ASEAN Political Security Community (APSC) in

---

<sup>1</sup> The idea was explicitly enunciated in the Bali Concord II 2003, by outlining three core pillars of the community, namely the ASEAN Economic Community, the ASEAN Security Community and the ASEAN Socio-Cultural Community. It was envisaged that the community would be formed in 2020. However, it was decided in December 2005 that the implementation of

managing on-going and potential conflicts and establishing regional peace in Southeast Asia. As one of its three pillars, APSC is designed to promote political and security cooperation among the ASEAN member states and sought to make it possible for the member states to maintain peaceful, democratic and harmonious environment in the region. APSC serves as a regional mechanism for building a firm and sustainable foundation for regional security and peace in Southeast Asia. The APSC Blue Print that was adopted by the 14<sup>th</sup> ASEAN Summit in 2009 specified three key basic areas, as follows: (i) a rule-based community with shared values and norms; (ii) a cohesive, peaceful and resilient region with shared responsibility for comprehensive security; (iii) a dynamic and outward looking region.<sup>2</sup>

Those basic areas formed a set of norms, regulations or rules which has indirectly built regional regimes in ASEAN. Within less than one month, APSC has arranged various regional institutional regimes for managing potential conflicts and building sustainable peace in the region, including those of non-traditional threats. ASEAN's member states has struggled hard in negotiating these regimes, such as in the areas of countering terrorism, trans-boundary haze and pollution, human rights, transnational organized crimes, and humanitarian action. The magnitude of the problems, and their impacts beyond national boundaries, render any national response inadequate. In other words, the nature of non-traditional security problems requires not only national response but also close regional cooperation to address them.<sup>3</sup>

This regional organization, however, has to deal with various on-going potential conflicts in the issues of border, human trafficking, refugees, drugs, and other maritime problems. These problems seem to hinder ASEAN's serious attempts in promoting regional peace. Therefore, ASEAN needs to find out alternative means to continue its target of implementing APSC by the end of 2015, while at the same time ASEAN has also tried hard in managing potential regional conflicts among its member states.

### **Security Community: A Brief Overview**

As the implementation of the Bali Concord II (2003), APSC is ASEAN's next big step in formalizing and institutionalizing the ASEAN's community vision into a concretely targeted Community by 2020. ASEAN strongly admitted the need for greater and faster regional integration in order to remain competitive and relevant in

---

ASEAN Community as "One Vision, One Identity, One Community" would be brought up to 2015. The idea of the ASEAN Community was finalized in the new ASEAN Charter at the 13th ASEAN Summit in November 2007, when all the heads of the member governments signed the charter. One year later, the new charter was accepted by the parliaments of all ten member countries.

<sup>2</sup> "ASEAN Political Security Community Blue Print", p. 3, accessed at [www.aseansec.org/22337.pdf](http://www.aseansec.org/22337.pdf)

<sup>3</sup> Rizal Sukma, "ASEAN and Non-Traditional Security", CSIS, Jakarta, 3 December 2010.

the fast changing regional landscape. The three pillars of Community goal, which was subsequently accelerated to 2015 at the 12<sup>th</sup> ASEAN Summit in 2007, was a major advancement of the ASEAN community vision because it made community building the most important objective of ASEAN. It was recently argued, rationally, that ASEAN needed to think about the Community's further development beyond 2015.<sup>4</sup>

Before it comes into the recent form, APSC was initially only security community.<sup>5</sup> Borrowing from Karl Deutsch, security community (SC) is a group that has become "integrated", where integration is defined as the attainment of a sense of community, accompanied by formal or informal institutions or practices, .....to assure peaceful change among members of a group with reasonable certainty over a long period of time.... Such community could either be amalgamated" through the formal political merger of the participating units, or remain "pluralistic", in which case the members retain their independence and sovereignty.<sup>6</sup>

For Deutsch, there are two types of SC. The first is Amalgamated Security Community (ASC) which amalgamates two or more independent units into one bigger entity of state-government. The second one is Pluralistic Security Community (PSC) which maintains independency and sovereignty of different units. States in PSC would have shared values through various institutions and shared responsibility to build one identity - *we feeling*. Different from ASC, states the PSC maintain their national sovereignty and commit to build shared identity and loyalty which is based on, both stable order and stable peace.<sup>7</sup> All in all, ASEAN fits more to PSC than ASC.<sup>8</sup>

In the context of Southeast Asia, Rizal Sukma (2003) proposed ASEAN to become a *comprehensive security community* (CSC) which would be "more attuned to the region's own needs and characteristics.... go beyond military security to give equal importance to the non-military kind and move beyond war-prevention to prevent and resolve conflicts and disorder."<sup>9</sup> Looking back at the Bali Concord II, it is obvious that ASEAN will achieve a "Pluralistic Security of Community". This

---

<sup>4</sup> Nguyen Hung Son, "The ASEAN Political Security Community: Challenges and Prospect", Paper presented at the International Conference on *ASEAN Vision 2015: Moving Towards One Community*, Taipei, 24-25 May 2011, p. 6.

<sup>5</sup> The concept of ASEAN Security Community that Indonesia proposed at the 9<sup>th</sup> ASEAN Summit in Bali was much inspired by Rizal Sukma's paper entitled "The Future of ASEAN: Towards a Security Community". Sukma presented his paper at a seminar on ASEAN Cooperation: Challenges and Prospects in the Current International Situation, New York, 3<sup>rd</sup> June 2003.

<sup>6</sup> Karl W. Deutsch, et.al., *Political Community and the North Atlantic Area: International Organization in the Light of Political Experience*, Princeton University Press, N.J., 2957.

<sup>7</sup> *Ibid.*, p. 5.

<sup>8</sup> For further analyses on whether ASEAN can be categorized, either as loosely coupled pluralistic security community or thick PSC, see Donald K. Emmerson, "Security, Community, and Democracy in Southeast Asia: Analyzing ASEAN", *Japanese Journal of Political Science*, 6 (2), 2005, pp. 165-85.

<sup>9</sup> Sukma, "The Future of ASEAN...", *op.cit.*

kind of SC will not move ASEAN towards a regional political and security “entity” with a joint foreign policy.

Another important aspect is that Sukma’s proposal and the Bali Concord II actually mention two fundamental issues separately which have given stronger foundation for ASEAN in committing to universal norms. On one hand, Rizal’s “proposal” did mention “human rights”, but did not mention “democracy”. On the other hand, BC II did mention “democracy”, but did not mention “human rights”.<sup>10</sup>

Nevertheless, both have promoted an ASEAN Political Security Community in its recent development which has strong commitment in upholding democratic and harmonious environment in Southeast Asia.

## **APSC and Its Dynamics**

### **a. Problems and Challenges**

One often cited problem in monitoring ASEAN Community building progress is the lack of quantifiable targets, particularly in the Political Security pillar. To “Promote understanding and appreciation of political systems, culture and history of ASEAN Member States” as called for in article A1.1 of the Blue Print, the actions requirements are “Encourage the holding of at least two track-two events per year.” and “Intensify exchange of experience and training courses...”, all with no clear quantified targets. On the other hand, a very notable qualitative progress was achieved with ASEAN breaking the boundary of its cooperation by developing cooperative activities, new norms and slowly new rules in difficult areas, some even considered untouchable before.

ASEAN advocates would have been right in saying that Southeast Asia is a war-free zone. However, ASEAN being war-free does not guarantee that ASEAN member states would not face internal conflict and tension.<sup>11</sup> Recent events in the region reflected stark differences among member states in the ASEAN region. We have, first and foremost, the diverse nature of ASEAN politics. We have a state bound by military rule, one a Communist state, a sultanate, single-party states, and struggling democracies.

We also find different levels of development among member states. Some analysts have lauded the progress of economic integration in the region. However, one cannot dissociate economic conditions from political and security issues. Where there is corruption, poor governance and political upheaval, there will always be, in turn, economic upheaval as well.

---

<sup>10</sup> Phillip J. Vermonte, “ASEAN Political Security Community:Where is It Going” paper presented at the Habibie Center on *Talking ASEAN on Democracy*, 26 November 2014.

<sup>11</sup> Ludiro Madu, “ASEAN’s Soft Balancing Strategy Between the US and China: The Case of South China Sea Dispute”, paper presented at the 1st FISIP’s national conference, UPN “Veteran” Yogyakarta, 2013.

On regional regimes, the ASEAN inter-governmental commission on human rights is one of such achievement, considering that human rights issues were once seen as too sensitive to appear in any ASEAN's formal discussions. ASEAN managed to advance its cooperation on maritime security, despite maritime boundaries disputes among its members. An ASEAN Maritime Forum was inaugurated in 2010 after years of consideration; an enhanced discussions on the South China Sea in ASEAN's high level meeting; and an ASEAN Declaration on Search and Rescue of People and Vessels in distress at sea. All of these regional agreement reflected rising confidence among member states to touch upon issues considered too sensitive before, a positive sign that some community sense is under formation.

Weak political commitment of ASEAN member states, and the lack of direct intervention on the policies and programs of ASEAN significantly hinders the move of member states to ensure peace and stability in the region.<sup>12</sup> On one hand, the ASEAN Secretariat functions less like an implementing agency and more of a post or liaison office, with insufficient power to direct and implement policies and programs outlined in the APSC framework. Meanwhile, the ASEAN Summit, considered the highest policymaking body, is weak and ineffective in enforcing rules and principles among member states.<sup>13</sup>

ASEAN cannot simply uphold its principle of non-interference to address the problem. With changes in the political climate in the region, the "ASEAN Way" has somehow offered limited opportunities to help promote democracy and achieve peace and stability in the region.<sup>14</sup> It has hindered the effectiveness of dispute settlement and conflict resolution mechanisms. Inherently, it also contrasts with the goals of the ASEAN Political and Security Community framework, which demands direct intervention to promote peace and security.

Approaching the implementation of the ASEAN Community by early 2016, the important role of community or people or society must be taken into consideration. Promoting involvement of people is of increasingly importance for showing the strong commitment of the 2015 ASEAN Community.

As community regards people, instead of state or government officials, ASEAN should make sure people or society takes important role in discussing various issues which would influence their regional cooperation. ASEAN has undoubtedly given much role to state's official in developing the regional

---

<sup>12</sup> Sukma, "ASEAN and Non-Traditional...", op.cit., p. 4

<sup>13</sup> Roby Arya Brata, "Building the ASEAN Political Security Community, the Jakarta Post, 5 February 2013.

<sup>14</sup> G. Krishnan, *Democracy Building in ASEAN: A Case for EU Subregional Engagement*, Stockholm, International Institute for Democracy and Electoral Assistance, Sweden, 2010.

organization, however, ASEAN must strengthen its commitment to shift its labelling from “civil servant” to “civil society”.<sup>15</sup>

All of abovementioned problems have been unfinished, although recent developments have also shown some progress in promoting people’s participation in regional level within ASEAN. While other problems still exist and will become ASEAN’s challenges in future. Those problems directly challenges the efficacy and capacity of the ASPC in managing and solving those regional issues, without any potential interference towards domestic affairs of each ASEAN’s member states.

## **b. Some Developments**

The ASEAN Political Security Community Blue Print foresees a dynamic and outward looking ASEAN, which means the ASEAN Community would not be realized without the outside world recognizing its relevance and lending support to it. Indeed, from its inception, external relations has always been an important pillar to ASEAN’s cooperation, and strategically ASEAN has always maneuvered at times of geo-political change and come up with solutions in order to stay relevant. ASEAN’s initiatives such as the Zone of Peace, Freedom and Neutrality was ASEAN’s reaction to the changing Sino-US relationship and its implications to the region; the ASEAN Regional Forum was ASEAN reaction to the US diverting its attention from the region amid the end of the cold war; the ASEAN+3 process was inaugurated on the wake of the regional financial crisis.

ASEAN has done various efforts for building regional institution with the purpose of taking care of specific regional issues, such as ASEAN Convention on Countering Terrorism (ACCCT), ASEAN Humanitarian Action (AHA) Center, ASEAN Agreement on Transboundary Haze and Pollution (AATHP), ASEAN Intergovernmental Convention on Human Rights (AICHR). Those regional institutions have helped ASEAN member states in promoting traditional and non-traditional security threats among them.

---

<sup>15</sup> Ludiro Madu, “ASEAN 2011-2013: Bringing Non-State Actors Back In”, paper presented at *the International Conference on International System on the End of the Westphalian Settlement: Contemporary Global Challenges Towards the Nation-State System*, Universitas Muhammadiyah Yogyakarta, Yogyakarta, 11<sup>th</sup> November 2013.



**Table 1. ASEAN’s Challenges and Its Responses**

Challenges	What ASEAN has done?
Internal conflicts	<ul style="list-style-type: none"> <li>• Treaty of Amity and Cooperation</li> <li>• Guidelines for the Implementation of Declaration on Conduct of Parties in the South China Sea (DOC)</li> <li>• ASEAN Institute for Peace and Reconciliation</li> <li>• Informal ASEAN Foreign Ministers’ Meeting, February 22, 2011 (Thailand-Kamboja)</li> </ul>
Democracy & human rights	<ul style="list-style-type: none"> <li>• ASEAN Inter-governmental Commission on Human Rights</li> <li>→ ASEAN Human Right Declaration</li> </ul>
Nuclear threats and proliferation of nuclear weapon	Protocol to the Southeast Asia Nuclear Weapon Free Zone (SEANWFZ)
Transnational Crimes	<ul style="list-style-type: none"> <li>• ASEAN Convention on Counter Terrorism</li> <li>• ASEAN Declaration against Trafficking in Persons</li> </ul>
Influence of major powers in the region	<ul style="list-style-type: none"> <li>• ASEAN Defence Ministers’ Meeting (ADMM) Plus</li> <li>• ASEAN Regional Forum (ARF)</li> </ul>

Although various regional regimes has been set up, the critical challenge for the APSC has always been building regional confidence among ASEAN’s own members and between ASEAN’s members and the regional and global partners they frequently engage with. Given the rapidly changing geo-political and strategic environment in the region, enhancing confidence should be central to the Community building process. It is no secret that while confidence among ASEAN members has been greatly improved, ASEAN members still seriously lack confidence on certain issues, most notably territorial disputes. Thailand – Cambodia ongoing conflict is a case in point. ASEAN members must maintain frank and open dialogues on any issues that affect their changing security environment or interests, their threat perceptions and national strategies to deal with those threats. Another encouraging results were observed in 2010 when ASEAN broke silence and discussed the South China Sea issue in an open and constructive manner.<sup>16</sup>

ASEAN members will also need to overcome rising nationalism to think beyond national boundaries and balance out regional versus national interests. A “we feeling” must be developed both from the grass-root level up and from top down. Better cooperation and coordination between and within each Community pillars” activities is needed to ensure higher operational efficiency,

---

<sup>16</sup> Y. F. Khong, “Coping with Strategic Uncertainty: The Role of Institutions and Soft Balancing in Southeast Asia’s Post-Cold War Strategy” in J. J. Suh, P. J. Katzenstein and A. Carlson (eds.), *Rethinking security in East Asia: Identity, Power and Efficiency*, Stanford, Stanford University Press, 2004, p. 176.

but for this to happen member states need to successfully address cross-sectoral issues both at national and regional level.

Amidst the current wave of changing regional environment due to the rise of China and India, the return and re-engagement of the US with the region, ASEAN has been actively trying to stay relevant and remain a driving force in the regional architecture through series of initiatives, most notably the creation of the ASEAN Defense Ministers Meeting Plus and the expansion of the East Asia Summit to include key military and economic powers, including Russia and the United States. The challenge is not only for ASEAN to be able to “drive” much larger and powerful “passengers”, but more importantly to drive the processes in the way that ensure ASEAN’s vital interests, i.e. to preserve ASEAN’s priorities and agendas, which at the moment is to successfully build the ASEAN Community by 2015.<sup>17</sup>

On a longer run, to stay relevant in the regional architecture, ASEAN will need to deliver not just a neutral ground for the major powers to interact, but also effective instruments and sometimes innovative ideas to address very specific problems facing the region.<sup>18</sup> ASEAN’s instruments such as the Treaty of Amity and cooperation (TAC), the South East Asia Nuclear Free Zone (SEANFWZ), and the Declaration of Conduct of the parties in the South China Sea (DOC) etc. must be made to work. The TAC has been increasingly accepted by non-regional countries as ASEAN’s ground rules they must obey to interact with the region. The DOC is another critical instrument to keep peace and stability in the region, and the instrument was referred to regularly by ASEAN and China while dealing with the situations in the South China Sea. However, the DOC’s implementation suffer from different interpretation of its somewhat vague provisions, for example what “exercise maximum self restraint” means in very specific scenarios, while a set of guidelines to implement the DOC has yet to be finalized.

The fact that APSC has built some regional mechanism for managing specific problems has found reality of emerging new unfinished problems. APSC has to deal with its uncertain prospect in building regional stability approaching the implementation ASEAN Community by the end of 2015. Although some institutional efforts has done, the APSC has to keep its grip in finding out regional solutions for border problems, transnational drugs and human trafficking issues, illegal fishing, and conflicted claims between some ASEAN members and China.

---

<sup>17</sup> Rizal Sukma, „ASEAN and the Major Powers in the New Emerging Regional Order“ in J. Tsunekawa (ed.), *Regional Order in East Asia: ASEAN and Japan Perspectives*, NIDS Joint Research Series No. 1, National Institute for Defense Studies, Tokyo, 2007, p. 83.

<sup>18</sup> Beginda Pakpahan, “Internal and External Challenges for ASEAN in the evolving regional architecture”, paper presented at Talking ASEAN on ASEAN Regional Forum, the Habibie Center, Jakarta, 27 August 2014.

## Prospects

In tackling the regional comprehensive security, ASEAN relies much on internal as well as external cooperation. Internally, ASEAN is becoming more pro-active and more direct in addressing internal security problems. The creation of the ASEAN Defense Ministers Meeting mechanism is an effort to build confidence among the most important security sector which has long been considered sensitive even for dialogue, let alone cooperation. ASEAN has opened up dialogue among its security chief as well, with their first meeting held in Hanoi in 2010. The ASEAN Secretariat plays increasingly active roles in mobilizing support and coordinates efforts to tackle non-traditional security issues like disaster relief, communicable diseases, etc. The ASEAN Secretariat, for example, played a central role in ASEAN response following the Nargis typhoon in Myanmar; as well as several other natural disasters in the region.<sup>19</sup> ASEAN in 2011 was seen to play an active role as well in mediating conflict among its members, in particular the ongoing Thailand - Cambodia conflict, thanks to Indonesia, the current ASEAN's chairman. Externally, ASEAN has been using the ASEAN Regional Forum as the leading mechanism to build confidence and improve the regional security environment. The ARF has adopted a Vision Statement in 2009 and in 2010 built a concrete Action Plan to realise the Vision; has agreed to explore some preventive diplomacy measures along with measures to build confidence in the region.

ASEAN Community building, including its Political and Security pillar, is a continuously learning process for ASEAN. ASEAN depth and scope of integration within the organization as well as with the international community has gradually evolved and will continue to evolve, much depending on ASEAN's own effort but also depend on the regional environment that ASEAN is bound to. The current changing regional environment presents a major opportunity for ASEAN to enhance its relevance and role in the regional architecture, thus mobilizing support for its Community building effort. However, the new environment also poses many critical challenges to the organization. ASEAN must therefore find a balanced approach to its external relations and internal community building process that best serve its interests.

The ASEAN Political Security Community Blue Print foresee a dynamic and outward looking ASEAN, which means the ASEAN Community would not be realized without the outside world recognizing its relevance and lending support to it. Indeed, from its inception, external relations has always been an important pillar to ASEAN's cooperation and strategically ASEAN has always maneuvered at times of geo-political change and come up with solutions in order to stay relevant.

Amid the current wave of changing regional environment due to the rise of China and India, the return and re-engagement of the US with the region, ASEAN

---

<sup>19</sup> Brata, *op.cit.*

has been actively trying to stay relevant and remain a driving force in the regional architecture through series of initiatives, most notably the creation of the ASEAN Defense Ministers Meeting Plus and the expansion of the East Asia Summit to include key military and economic powers, including Russia and the United States. The challenge is not only for ASEAN to be able to “drive” much larger and powerful “passengers”, but more importantly to drive the processes in the way that ensure ASEAN’s vital interests, i.e. to preserve ASEAN’s priorities and agendas, which at the moment is to successfully build the ASEAN Community by 2015.

On a longer run, to stay relevant in the regional architecture, ASEAN will need to deliver not just a neutral ground for the major powers to interact, but also effective instruments and sometimes innovative ideas to address very specific problems facing the region. ASEAN’s instruments such as the Treaty of Amity and cooperation (TAC), the South East Asia Nuclear Free Zone (SEANFWZ), and the Declaration of Conduct of the parties in the South China Sea (DOC) must be made to work. The TAC has been increasingly accepted by non-regional countries as ASEAN’s ground rules they must obey to interact with the region.<sup>20</sup>

In doing so, ASEAN has depend much on the leading role of Indonesia in regional level. The former ASEAN Secretary General Rodolfo Severino has outlined four reasons Indonesia was important to the development of ASEAN. Firstly, he argues that ASEAN was created only after Indonesia changed its foreign policy approaches in the aftermath of the downfall of the Sukarno regime. Jakarta subsequently agreed to join four other founding Regional nations – Malaysia, the Philippines, Singapore and Thailand – to form ASEAN in 1967. Secondly, throughout ASEAN history, Indonesia has played a leadership role in the organization. The country was also the forerunner for the ASEAN’s 2003 Political Security Community initiatives and took a leadership role<sup>21</sup> in the drafting of the Plan of Action for the ASEAN Security Community in 2004. Moreover, its role and contribution to the organization encompass political as well as economic dimensions.

ASEAN Community building, including its Political and Security pillar, is a continuously learning process for ASEAN. ASEAN depth and scope of integration within the organisation as well as with the international community has gradually evolved and will continue to evolve, much depending on ASEAN’s own effort but also depend on the regional environment that ASEAN is bound to. The current changing regional environment presents a major opportunity for ASEAN to enhance

---

<sup>20</sup> Ludiro Madu, “Pertaruhan Sentralitas ASEAN,” *Suara Merdeka*, 16 May 2014.

<sup>21</sup> Rudolfo C. Severino, *Southeast Asia In Search of an ASEAN Community: Insights from the Former ASEAN Secretary General*, Institute of Southeast Asian Studies, Singapore, 2006, pp. 27-32.

its relevance and role in the regional architecture, thus mobilising support for its Community building effort.<sup>22</sup>

### **Concluding Remarks**

APSC has built some regional mechanism for managing specific problems has proved its capability in managing regional problems in the region. The fact that those problems have been unfinished found APSC in its best place in managing and preventing the escalation of those problems into conflicts among ASEAN's member states. Accordingly, APSC has to deal with those problems for building regional stability approaching the implementation ASEAN Community by the end of 2015.

Those regional institutions have helped ASEAN member states in promoting traditional and non-traditional security threats among them. However, institutional efforts that the APSC has done seems to find unresolved problems, such as border problems, transnational drugs and human trafficking issues, illegal fishing, and conflicted claims between some ASEAN members and China. Approaching the implementation of ASEAN Community, APSC has built strong institutional foundation and regional mechanism for managing problems and anticipating potential conflicts.

ASEAN's capability in dealing with those problematic issues in regional level would give stronger push to move forward and determine its prospect in future.

### **References**

- "ASEAN Political Security Community Blue Print", p. 3, accessed at [www.aseansec.org/22337.pdf](http://www.aseansec.org/22337.pdf)
- Brata, Roby Arya, "Building the ASEAN Political Security Community, the Jakarta Post, 5 February 2013.
- Deutsch, Karl W. (et.al.), *Political Community and the North Atlantic Area: International Organizaiton in the Light of Political Experience*, Princeton University Press, N.J., 2957
- Emmerson, Donald K., "Security, Community, and Democracy in Southeast Asia: Analyzing ASEAN", *Japanese Journal of Political Science*, 6 (2), 2005, pp. 165-85.

---

<sup>22</sup> Son, *op.cit.*, p.11.

- Krishnan, G., *Democracy Building in ASEAN: A Case for EU Subregional Engagement*, Stockholm, International Institute for Democracy and Electoral Assistance, Sweden, 2010.
- Madu, Ludiro, "ASEAN's Soft Balancing Strategy Between the US and China: The Case of South China Sea Dispute", paper presented at the 1st FISIP's national conference, UPN "Veteran" Yogyakarta, 2013.
- ....., "ASEAN 2011-2013: Bringing Non-State Actors Back In", paper presented at *the International Conference on International System on the End of the Westphalian Settlement: Contemporary Global Challenges Towards the Nation-State System*, Universitas Muhammadiyah Yogyakarta, Yogyakarta, 11<sup>th</sup> November 2013.
- ....., "Pertaruhan Sentralitas ASEAN," *Suara Merdeka*, 16 May 2014.
- Beginda Pakpahan, "Internal and External Challenges for ASEAN in the evolving regional architecture", paper presented at Talking ASEAN on ASEAN Regional Forum, the Habibie Center, Jakarta, 27 August 2014.
- Severino, Rudolfo C. (2006), *Southeast Asia In Search of an ASEAN Community: Insights from the Former ASEAN Secretary General*, Singapore: Institute of Southeast Asian Studies.
- Son, Nguyen Hung, "The ASEAN Political Security Community: Challenges and Prospect", Paper presented at the International Conference on *ASEAN Vision 2015: Moving Towards One Community*, Taipei, 24-25 May 2011, p. 6.
- Sukma, Rizal, "The Future of ASEAN: Towards a Security Community", presented at a seminar on ASEAN Cooperation: Challenges and Prospects in the Current International Situation, New York, 3rd June 2003.
- ....., "ASEAN and the Major Powers in the New Emerging Regional Order" in J. Tsunekawa (ed.), *Regional Order in East Asia: ASEAN and Japan Perspectives*, NIDS Joint Research Series No. 1, National Institute for Defense Studies, Tokyo, 2007, p. 83.
- ....., "ASEAN and Non-Traditional Security", CSIS, Jakarta, 3 December 2010.
- Vermonte, Phillip J., "ASEAN Political Security Community: Where is It Going" paper presented at the Habibie Center on *Talking ASEAN on Democracy*, 26 November 2014.
- Y. F. Khong, "Coping with Strategic Uncertainty: The Role of Institutions and Soft Balancing in Southeast Asia's Post-Cold War Strategy" in J. J. Suh, P. J. Katzenstein and A. Carlson (eds.), *Rethinking security in East Asia:*

*Identity, Power and Efficiency*, Stanford, Stanford University Press, 2004, p. 176.





# A THREAT TOWARD ASEAN COMMUNITY: “BRAIN DRAIN” AS AN EFFECT OF SOUTHEAST ASIA’S INTEGRATION

Septyanto Galan Prakoso, SIP., M.Sc<sup>1</sup>

Co-author: Niki Wahyu Sayekti<sup>2</sup>

## ABSTRACT

*By the end of December 2015, ASEAN Economic Community (AEC) will come into effect and it will transform ASEAN into a region with free movement of goods, services, investment, skilled labor, and freer flow of capital.<sup>3</sup>*

*Following that condition, the free movement of labor or human resources will happen. This condition is expected to be able to raise the level of competitiveness inside ASEAN society so that it would contribute to the development of the region. However, the easy access provided by the AEC for people to move out from one country to another in the ASEAN region can also emerge a new threat known as “brain drain”. Brain drain is a situation which large numbers of educated and skilled people leave their own country to live and work in another one where pay and conditions are better.<sup>4</sup> When AEC is implemented, people who have skills from member countries in ASEAN which have weaker economic power would most likely choose to leave their country to another member countries which has better economic condition. Therefore, the development of the region dreamt by the ASEAN member countries will be harder to achieve. There will be a higher disparity between countries, and from the social dimension, this problem of brain drain would not only cause disadvantages from the origin countries but also for the host countries.*

*Hence, ASEAN member countries must find solutions to surmount the threat of brain drain to ensure the success of Southeast Asia Integration through AEC.*

**Keywords:** *brain drain, free movement of labor, ASEAN Economic Community*

## INTRODUCTION

The deadline of the implementation of ASEAN’s ambitious grand agenda, the AEC (ASEAN Economic Communities), is approaching slowly but sure. Ready or not, by the end of December 2015, or by the end of this year, ASEAN member countries will have to welcome and approve it one way or another as what had been agreed. ASEAN Economic Community (AEC) itself aims to attain a

---

<sup>1</sup> Is a lecturer in International Relations Department, Universitas Sebelas Maret, Surakarta, Indonesia and Bakrie Graduate Awardee 2012-2013

<sup>2</sup> Is an undergraduate student in International Relations Department, Universitas Sebelas Maret, Surakarta, Indonesia.

<sup>3</sup> <http://www.asean.org/communities/asean-economic-community>

<sup>4</sup> <http://dictionary.cambridge.org/dictionary/british/brain-drain>

single market and production base, allowing the free flow of goods, services, investments, and skilled labor, and the free movement of capital across the ASEAN region.<sup>5</sup>

Regarding the formation of AEC itself, sounds of optimism and hopes can be heard as voiced out by the member countries where this economic integration is expected to contribute to the development for the region and change the face of ASEAN itself into a better one. However, despite of the opportunities and potentials brought by the AEC, there are emerging threats that should be noticed by the member countries from this initiative of economic integration. One of the threats comes from the aspect of human capital or skilled labors flows. The free movement or exchange of skilled human resources in the region is expected by member countries to be able to provide wider job opportunities, raise the level of competitiveness of ASEAN society, as to shape common identity of people as ASEAN citizen.

Nevertheless, it seems that the member countries of ASEAN missed to perceive the potential threat or problem created by such mechanism of the free flow of skilled human capital, because the easy access provided by the AEC for people to move out from one country to another in the ASEAN region can emerge a new problem known as “brain drain”.

Many discussions about other potential threats and challenges of AEC have been brought up, but the discussions about brain drain itself are rare to be found, despite the fact that this brain drain is a very highly possibility to happen when AEC comes into effect. Therefore, the topic of “brain drain” as a threat toward Southeast Asia’s Integration (in the form of AEC) needs to be assessed thoroughly, so that a set of solutions can be offered to overcome the said problem when it does arise later.

### **ASEAN Economic Community (AEC): A Brief Description**

According to the Blueprint of ASEAN Economic Community (AEC), the AEC is the realization of the end goal of economic integration as espoused in the Vision 2020, which is based on a convergence of interests of ASEAN member countries to deepen and broaden economic integration through existing and new initiatives with clear timelines.<sup>6</sup> This economic integration of ASEAN aims to develop into a single production base where goods can be manufactured anywhere and distributed efficiently to anywhere within the region.<sup>7</sup>

---

<sup>5</sup>Asian Development Bank Institute. “ASEAN 2030: Toward A Borderless Economic Community.” *Eria.org*. Web. 14 May. 2015.

<sup>6</sup> The Association of Southeast Asian Nations (ASEAN). “ASEAN Economic Community Blueprint.” *Asean.org*. Web. 14 May. 2015.

<sup>7</sup> Jon, Frequent. “Asean Economic Community 2015: Ready or not, here it comes.” *Bangkokpost.com*. 2015. Web. 15 May. 2015.

At the Bali Summit in October 2003, ASEAN Economic Community (AEC) was declared by the ASEAN leaders to be the goal of regional economic integration (Bali Concord II) by 2020.<sup>8</sup> Afterward, the ASEAN Economic Ministers Meeting (AEM) held in August 2006 in Kuala Lumpur, Malaysia, agreed to develop “a single and coherent blueprint for advancing the AEC by identifying the characteristics and elements of the AEC by 2015 consistent with the Bali Concord II with clear targets and timelines for implementation of various measures as well as pre-agreed flexibilities to accommodate the interests of all ASEAN member countries.”<sup>9</sup> Following the August 2006 recommendation of the ASEAN Economic Ministers, the ASEAN Summit in January 2007 agreed to advance the achievement of the entire ASEAN Community from 2020 to 2015.<sup>10</sup>

Based on the explanation above and taking into consideration the importance of external trade to ASEAN and the need for the ASEAN Community as a whole to remain outward looking, the AEC envisages the following key characteristics: (a) a single market and production base, (b) a highly competitive economic region, (c) a region of equitable economic development, and (d) a region fully integrated into the global economy.<sup>11</sup>

Table 1.1

**ASEAN Economic Community: Structural Components<sup>12</sup>**

PILLARS	CORE ELEMENTS		
I. SINGLE MARKET AND PRODUCTION BASE	Free Flow of Goods	Free Flow of Skilled Labor	Priority Integration Sectors  <i>Agro-based products; air travel; automotive; e-</i>
	Free Flow of Services	Free Flow of Investment	

<sup>8</sup> The Association of Southeast Asian Nations (ASEAN). “ASEAN Economic Community Blueprint.” *Asean.org*. Web. 14 May. 2015.

<sup>9</sup> *Ibid.*

<sup>10</sup> Sanchita Basu Das, et al. “ASEAN Economic Community: A Work in Progress.” *Adb.org*. Web. 14 May. 2015.

<sup>11</sup> The Association of Southeast Asian Nations (ASEAN). “ASEAN Economic Community Blueprint.” *Asean.org*. Web. 14 May. 2015.

<sup>12</sup> Asian Development Bank Institute. “ASEAN 2030: Toward A Borderless Economic Community.” *Eria.org*. Web. 14 May. 2015.

	Freer Flow of Capital	Food, Agriculture, and Forestry	<i>ASEAN; electronics;</i>
<b>II. COMPETITIVE ECONOMIC REGION</b>	Competition Policy	Consumer Protection	Infrastructure
	Taxation	Intellectual Property Rights	Development
	E-commerce		<i>Transport; ICT Energy; mining Infrastructure</i>
<b>III. EQUITABLE ECONOMIC DEVELOPMENT</b>	Development of Small and Medium-Sized Enterprises		
	Initiative for ASEAN Integration		
<b>IV. INTEGRATION INTO THE GLOBAL ECONOMY</b>	Coherent Approach toward External Economic Relations ( <i>includes FTAs and CEPs</i> )		
	Enhanced Participation in Global Supply Networks		

\*ASEAN = Association of Southeast Asian Nations, CEP = comprehensive economic partnership, FTA = free trade agreement, ICT = information and communication technology Source: ASEAN Secretariat and ADBI staff elaborations.

As for the Pillar I of AEC itself, especially regarding the topic of free flow of skilled labors, AEC will facilitate the issuance of visas and employment passes for ASEAN professionals and skilled labors who are engaged in cross-border trade and investment related activities.<sup>13</sup> Based on the ASEAN Economic Community Blueprint, ASEAN will work towards harmonization and standardization regarding to the free flow of services in 2015 where a few actions will be taken. Those actions taken by ASEAN will be including: (1) Enhancement of cooperation among ASEAN University Network (AUN) members to increase mobility for both students and staff within the region; (2) Development of core competencies and

<sup>13</sup> The Association of Southeast Asian Nations (ASEAN). "ASEAN Economic Community Blueprint." *Asean.org*. Web. 14 May. 2015.

qualifications for job/occupational and trainers skills required in the priority services sectors (by 2009); and in other services sectors (from 2010 to 2015); and (3) Strengthening the research capabilities of each ASEAN member country in terms of promoting skills, job placements, and developing labor market information networks among ASEAN member countries.<sup>14</sup>

Besides facilitating the issuance of visas and employment passes as stated before, another action is provided by ASEAN on supporting this idea of free flow of skilled labor that is to establish MRAs (Mutual Recognition Arrangements). These MRAs are for major professional services, core concordance of services skills and qualifications.<sup>15</sup> MRAs are major instruments for skilled labor mobility in ASEAN, and through MRAs, ASEAN countries may recognize the education or experience obtained, requirements met, and licensing or certification granted by other ASEAN countries.<sup>16</sup> In the AEC, MRAs for professional qualifications have been completed in accountancy, engineering, medicine, dentistry, and nursing, MRA frameworks in architecture and surveying and other MRAs are expected to be identified and negotiated by the 2015 deadline.<sup>17</sup> In addition, aspects related to migrant workers' rights are accommodated in a regional Declaration signed by ASEAN leaders in 2007.<sup>18</sup>

ASEAN had also developed AMNP (Agreement on Movement of Natural Persons), ACIA (ASEAN Comprehensive Investment Agreement), and AQF (ASEAN Qualification Framework) as the regulation of labor mobility in ASEAN. The MNP was signed by ASEAN leaders in 2012, and this MNP Agreement is specifically limited to business visitors, contractual service suppliers, and intra-company transferees and is focused on facilitating for ASEAN companies to send their personnel (professionals and executives) temporarily in other countries to provide services.<sup>19</sup> While, the AQF is established to measure levels of educational or training achievement and create more transparent career ladders between levels.<sup>20</sup> It aims to harmonize regulatory arrangements between participating countries by developing mutual comparable national qualifications

---

<sup>14</sup> *Ibid.*

<sup>15</sup> Siow Yue Chia. "The ASEAN Economic Community: Progress, Challenges, and Prospects." *Wto.org*. Web. 15 May 2015.

<sup>16</sup> Siow Yue Chia, *ibid.*

<sup>17</sup> Siow Yue Chia, *ibid.*

<sup>18</sup> Flavia, Jurje and Sandra, Lavenex. "ASEAN Economic Community: what model for labour mobility?." *Wti.org*. Web. 20 May. 2015.

<sup>19</sup> Sarah, Huelser and Adam, Heal. "Moving Freely? Labor Mobility in ASEAN." *Artnet.unescap.org*. 2014. Web. 22 May 2015.

<sup>20</sup> Guntur, Sugiyarto and Dovelyn, Rannveig Agunias. "A Freer Flow of Skilled Labour Within ASEAN: Aspiration, Opportunities, and Challenges in 2015 and Beyond." *Migrationpolicy.org*. 2014. Web. 22 May 2014.

frameworks based on common reference frameworks.<sup>21</sup> Those arrangements are intended to be able to bring the region into a deeper economic integration.

It is expected that labor migration, when well-managed, can bring substantial benefits to: (i) migrants themselves in terms of higher wages and opportunities to acquire skills and experience; (ii) host economies by addressing labor shortages and boosting growth; and (iii) sending countries through financial remittances and knowledge transfers.<sup>22</sup> However, a few ever noticed a possible challenge that must be faced by AEC when the region is fully integrated. This challenge is possibly created by the migration problem as an impact of the free labor movement within the region. The AEC itself, as elaborated above, is focusing on creating freer flow for skilled labors, which means that well-educated and skilled people can easily leave their countries to another one in the region. If a big amount of well-educated or skilled people a certain country, it will definitely bring disadvantages for the home country. Such phenomenon where a country loses a big amount of their educated or skilled labors is often referred as a “brain drain” problem, and this brain drain is not an impossibility to happen in the fully integrated ASEAN region.

Nevertheless, this ASEAN Economic Community (AEC) which becomes the label of the regional economic integration of Southeast Asian countries was actually born prematurely. Economic integration itself is considered as a process, which comprises the set of political and economic measures "designed to eliminate discrimination between economic units that belong to different national states".<sup>23</sup> However, to come to the term of pure or total economic integration, there are some stages that must be completed by the region, and those stages are: 1) Free Trade Area (FTA), 2) Custom Union (CU), 3) Common Market (CM), 4) Economic Union (EUN), and 5) Total Economic Integration (TEI).<sup>24</sup> However, declaring itself as a form of economic integration of Southeast Asia's nations, AEC in fact hasn't met the requirements nor completed the stages to be called as an economic integration. The table below illustrates some requirements in each stage that must be met in order to become a fully integrated region.<sup>25</sup>

---

<sup>21</sup> Guntur Sugiyarto and Dovelyn Rannveig Agunias, *ibid.*

<sup>22</sup> Sarah Huelser and Adam Heal, *ibid.*

<sup>23</sup> Ricardo, Argüello C. "Economic Integration: An Overview of Basic Economic Theory and other Related Issues." *Urusario.edu*. Web. 30 May. 2015.

<sup>24</sup> P, De Lombaerde. "Quantitative Monitoring and Comparison of Regional Integration Processes: Steps toward Good Practice." *Cris.unu.edu*. Web. 30 May. 2015.

<sup>25</sup> "Economic Integretaion." *Calculamus.org*. Web. 30 May. 2015.

Stages of Economic Integration	Diminishing trade barriers	Setting up common external tariffs	Freedom of movement of the factors of production	Common Currency and Common Economic Policy	Integration in non-economic
FTA	√				
CU	√	√			
CM	√	√	√		
EUN	√	√	√	√	
TEI	√	√	√	√	√

AEC itself, after a good consideration, in fact has only able to complete stage number one and it hasn't even come to a term of CU (Custom Union). But despite of its lack understanding of these "must-complete stages" ASEAN has proudly proclaimed itself to embrace an economic integration in 2015. This forced and premature integration of ASEAN countries, and its lack of preparation of ASEAN itself, is worriedly to bring negative impacts for the said countries and shocks to the society as well. Hence, ASEAN should, starting from now, prepare a good mechanism to refrain the bad or negative impacts that's possibly brought by the "forced integration". A good mechanism will be needed in order to respond to the future possibilities that can happen including the problem of "brain drain" that have also been mentioned above.

### **The Phenomenon of Brain Drain**

Brain drain is one of many forms of migration problem. Brain drain can be simply defined as a situation which large numbers of educated and very skilled people leave their own country to live and work in another one where pay and conditions are better.<sup>26</sup> As the number of international migrants increase, the migration of skilled labors has a trend of increasing as well. The phenomenon of brain drain itself was not a new thing. The first analytical paper about brain drain itself can be traced back in the late of 1960.<sup>27</sup>

<sup>26</sup> Cambridge Dictionary. "Brain Drain." Dictionary.cambridge.org. Web. 05 April. 2015.

<sup>27</sup> Frédéric Docquier, and Hillel Rapoport. "Globalization, Brain Drain, and Development." *Ftp.iza.org*. Web. 22 May. 2015.

In recent years, the migration of skilled personnel has attracted considerable attention as the developed countries have increasingly and explicitly targeted the recruitment of talented individuals from developing countries.<sup>28</sup> The United States (US) and Canada, supported by their relatively open migration laws, have been a preferred destination for foreign intellectuals.<sup>29</sup> One of the well-known examples was the import of skilled workers – mostly from India – to the US in 1990s for the booming high technology sector.<sup>30</sup>

The brain drain phenomenon itself is still happening until now which makes it no longer a significant phenomenon. It is boosted up by the rapid globalization where more work sectors are created, more skilled and educated workers needed, and easier access to move from one country to another country are provided. Highly-skilled workers often leave their home country in the pursue of better life standards, higher pay as well as better and more challenging work opportunities.<sup>31</sup> However, migration, as well as brain drain, was also stimulated not only by economic motivations but also by the desire to escape conflict and relocate to ethnic homelands in many instances.<sup>32</sup>

In a brief, the determinants of migration, including brain drain as its effect, can be derived from many aspects covering economic and demographic, political, and socio and cultural. Those determinants of migration itself can be coming from two directions, those are from internal (push factors) and external (pull factors) as can be seen in table below.

Table 1.2  
**Motivation of Migrants**

	<b>Push Factors</b>	<b>Pull Factors</b>
<b>Economic and</b>	Poverty	Prospect of higher wages
	Unemployment	
<b>Demographic</b>	Low wages	Potential of improved standard of
	High fertility rates	Personal or professional

<sup>28</sup> Simon Commander, et al. "The Brain Drain: A Review of Theory and Facts." *Dev.ulb.ac.be*. Web. 20 May. 2015.

<sup>29</sup> Vena, Nedeljkovic. "Brain Drain in the European Union: Facts and Figures." *Bridgingeurope.net*. Web. 22 May. 2015.

<sup>30</sup> Simon Commander, *ibid*.

<sup>31</sup> Vena Nedeljkovic, *ibid*.

<sup>32</sup> "Determinants of Migrants." *Siteresources.worldbank.org*. Web. 20 May. 2015.



	Lack of basic health and education	development
<b>Political</b>	Conflict, insecurity, violence	Safety and security
	Poor governance	
	Corruption	Political freedom
	Human right abuses	
<b>Socio and Cultural</b>	Discrimination based on ethnicity, gender religion, and the like	Family reunification
		Ethnic (Diaspora migration) homeland
		Freedom from discrimination

Source: World Bank 2015<sup>33</sup>

It is also found that a regional integration is also contributing to the increasing rate of migration, and also brain drain in this case. The easier access provided by the integration is becoming the push factor for people to move freely within the region. The phenomenon of brain drain which caused by such regional economic integration can be seen in the case of the European Union.

The economic integration of EU grants a right for its citizens to be able to move freely within the EU region. By the removal of border barriers, the adoption of visa-free travel, the simplification of migration rules and abolishment labor market restrictions for EU citizens, EU nationals are presented with the opportunity to settle wherever they choose within the boundaries of the Union.<sup>34</sup> Since the creation of the economic integration which grants the said special right, the rate of migration intra-region in the EU has been increasing. In 2012 intra-European migration increased by 12% compared to 2011, registering a double-digit increase for a second year in a row.<sup>35</sup> Following the trend of the increasing rate of migration intra-EU, the rate of highly-skilled workers migration has increased as well with the most popular destination of the said migration is Germany. There is a visible trend in migration from Eastern and Southern Europe to the Western parts of the Union and particularly Germany as recorded by the German Federal Statistical Office that inflow of Spanish migrants to Germany increased by 37.1% in 2012 compared to 2011; the respective rates for Portugal and Greece were 41.1% and

<sup>33</sup> Ibid.

<sup>34</sup> Vena, Nedeljkovic. "Brain Drain in the European Union: Facts and Figures." *Bridgingeurope.net*. Web. 22 May. 2015.

<sup>35</sup> Vena, Nedeljkovic, *ibid*.

53.0%. Migration from the Eastern European region also increased: 16.4% more Bulgarians and 24.3% more Romanians moved to Germany in 2012 compared to 2011.<sup>36</sup>

The increasing rate of highly-skilled workers to the Western part of the region is leaving a problem of brain drain to the sending countries which mostly are countries from the Eastern part of the region. Among Eastern European member states, Romania and Poland are the most affected by the brain drain.<sup>37</sup> The difference in wages, quality of life and economic stability in the different regions of the Union, especially between the Western and Eastern regions, is the main trigger for the brain drain trends within the EU.<sup>38</sup> In the case of Eastern Europe itself, the brain drain has created some problem such as specific shortages in the labor market, especially in the field of medicine, science and research and IT.<sup>39</sup> Medicine, science and research and IT are important sectors for a country and with the loss of highly-skilled professionals in the said sectors, it can affect the country's performance on serving its citizens.

The same case of brain drain can be happening to the ASEAN region as well once the integration is fully implemented. Just like the case in the EU, the free movement of skilled labors can stimulate the skilled labors to move to another country which has a better prospect of living. As for ASEAN itself, there has been an increase of rate of migration within the region as well. However, the migration rate intra-ASEAN is still dominated by the unskilled labors. Even though the flows of skilled labor in ASEAN have increased, they remain small in comparison to the flows of unskilled or semi-skilled labor migration.<sup>40</sup>

---

<sup>36</sup> Nicola, Düll in Vena, Nedeljkovic. "Brain Drain in the European Union: Facts and Figures." *Bridgingeurope.net*. Web. 22 May. 2015.

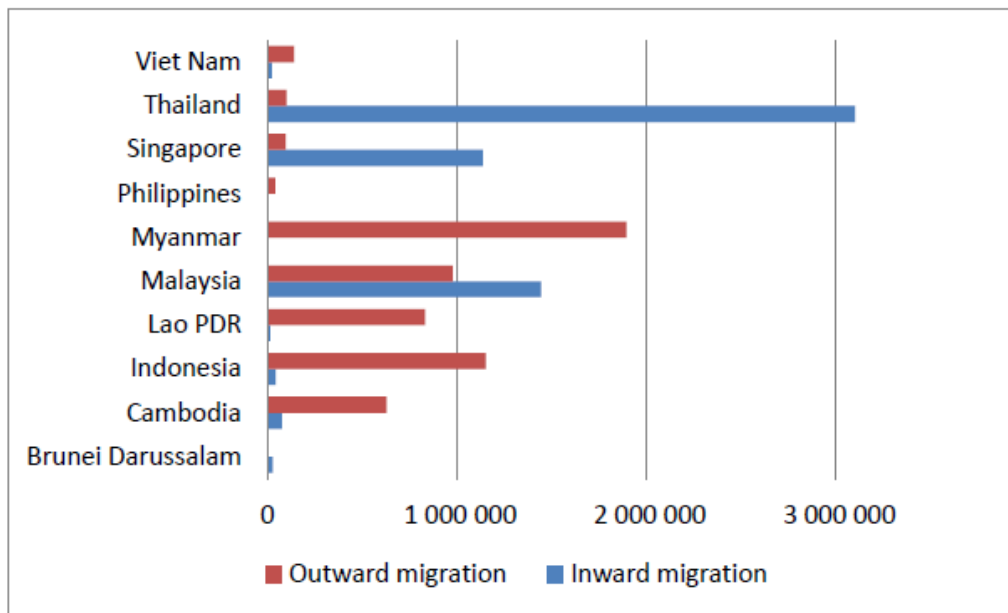
<sup>37</sup> Luiza, Ionescu in Vena, Nedeljkovic. "Brain Drain in the European Union: Facts and Figures." *Bridgingeurope.net*. Web. 22 May. 2015.

<sup>38</sup> Vena Nedeljkovic, *ibid*.

<sup>39</sup> Luiza Ionescu, *ibid*.

<sup>40</sup> Sarah, Huelser and Adam, Heal. "Moving Freely? Labor Mobility in ASEAN." *Artnet.unescap.org*. 2014. Web. 22 May 2015.

Figure 1.1 Intra-ASEAN migration: stock of total migrants, 2013



Source: UN DESA, *Global Migration Database*<sup>41</sup>

As shown by the chart above, it can be seen that Thailand, Singapore, and Malaysia are being positioned as the recipient countries of migrants in the region, while Myanmar, Indonesia, Lao PDR, and Cambodia are becoming the sending countries. This data has shown the same trend which happens in the EU where people are migrating to a country which has a better economic performance to seek for better standard and prospect of living. Large income disparities among geographically-close ASEAN members; differential rates of population growth and aging; and the absence of regional redistributive mechanisms create large labor deficits and surpluses,<sup>42</sup> and those said factors drive to migration with labor flowing mainly from the poorer countries to the richer.

The same trend found in the migration pattern within the ASEAN region can lead to the same possibility as experienced by the EU, which is the problem of brain drain. As stated before the rate of migration intra-ASEAN has increased, as well as the skilled-workers migration. Glancing at the case of EU, the rate of skilled workers migration can be boosted up by the upcoming integration which provides the citizens with an easier access to move freely within the region. There is a high possibility that the brain drain which happens in the EU happens in ASEAN as well, moreover when the free movement of skilled-labors are getting more attention and concerns as stated in the ASEAN Economic Community Blueprint implicitly. ASEAN member countries like, Lao PDR, Myanmar, and Cambodia which have low

<sup>41</sup> Sarah Huelser and Adam Heal, *ibid.*

<sup>42</sup> S. W, Chia in Sarah, Huelser and Adam, Heal. "Moving Freely? Labor Mobility in ASEAN." *Artnet.unescap.org*. 2014. Web. 22 May 2015.

economic performance and high rate of outward migration in the region can be disadvantaged when their skilled and educated people choose to flee from their countries. But this brain drain can also create more complex troubles which can also befall on the recipient countries like Singapore, Thailand, and Malaysia, and that is why it generally can be seen as a potential threat toward AEC.

### **Conclusion**

The ASEAN Economic Community (AEC) can be said as a very ambitious project of ASEAN, where it aims to create a single market and production base; free flow of goods, services, investments, and skilled labors; and free movement of capital. One of the goals of AEC itself, a free flow of skilled labors, which also becomes the main focus of discussion in this paper, can also be regarded as a way to achieve the ASEAN motto that is "one identity". AEC will grant the ASEAN citizens the right to get easier access to travel and seek for jobs in other countries within ASEAN. This special right granted by the AEC is expected to increase the level of labors competitiveness in ASEAN.

Blinded by its optimism, it seems that ASEAN fails to notice the potential problem of the human capital sector, as it's still lacking a good mechanism to overcome the said problem. As ever happened to the European Union (EU) in 2012, a right for EU citizens to be able to move freely within the EU region had stimulated a huge wave of migration and left a problem of „brain drain“ for the region. It is not impossible for ASEAN, that is about to implement AEC which aims to achieve a free flow of skilled labors, to face a similar scenario as EU in 2012 that is a problem of brain drain.

This problem of brain drain should not be taken lightly by ASEAN since it can cause problems for either the sending or the recipient countries, and it most likely can be guaranteed that it can also disturb the stability and development of the region itself. As can be seen so far, ASEAN itself seems unprepared to face this kind of possibility and has not formulated any mechanism to prevent it. This brain drain problem, as said before, is a serious problem which can lead to bigger problems if not handled properly, hence ASEAN should immediately respond to this issue and formulate a good mechanism to prevent it or to face it when it happens.

## BIBLIOGRAPHY

- \_\_\_\_\_. "Determinants of Migrants." *Siteresources.worldbank.org*. 20 May. 2015. <[siteresources.worldbank.org/INTECA/.../Migration\\_Chapter3.pdf](http://siteresources.worldbank.org/INTECA/.../Migration_Chapter3.pdf)>
- \_\_\_\_\_. "Economic Integretaion." *Calculamus.org*. 30 May. 2015. <[www.calculamus.org/pub-libr/eu-integr/1-2econ-integr.pdf](http://www.calculamus.org/pub-libr/eu-integr/1-2econ-integr.pdf)>
- Argüello C, Ricardo. "Economic Integration: An Overview of Basic Economic Theory and other Related Issues." *Urusario.edu*. 30 May. 2015. <[www.urosario.edu.co/economia/documentos/pdf/bi03.pdf](http://www.urosario.edu.co/economia/documentos/pdf/bi03.pdf)>
- Asian Development Bank Institute. "ASEAN 2030: Toward A Borderless Economic Community." *Eria.org*. 14 May. 2015. <[www.eria.org/events/3\\_Dr.%20Masahiro%20Kawai.pdf](http://www.eria.org/events/3_Dr.%20Masahiro%20Kawai.pdf)>
- Cambridge Dictionary. "Brain Drain." *Dictionary.cambridge.org*. 05 April. 2015. <<http://dictionary.cambridge.org/dictionary/british/brain-drain>>
- Chia, Siow Yue. "The ASEAN Economic Community: Progress, Challenges, and Prospects." *Wto.org*. 15 May 2015. <[https://www.wto.org/english/res\\_e/reser\\_e/wts...e/Oshikawa.pdf](https://www.wto.org/english/res_e/reser_e/wts...e/Oshikawa.pdf)>
- Commander Simon, et al. "The Brain Drain: A Review of Theory and Facts." *Dev.ulb.ac.be*. 20 May. 2015. <[dev.ulb.ac.be/dulbea/BER/doc/commander.pdf](http://dev.ulb.ac.be/dulbea/BER/doc/commander.pdf)>
- Das, Sanchita Basu et al. "ASEAN Economic Community: A Work in Progress." *Adb.org*. 14 May. 2015. <[adb.org/sites/default/files/pub/2013/aec-work-progress.pdf](http://adb.org/sites/default/files/pub/2013/aec-work-progress.pdf)>
- Docquier, Frédéric and Rapoport, Hillel. "Globalization, Brain Drain, and Development." *Ftp.iza.org*. 22 May. 2015. <[ftp.iza.org/dp5590.pdf](http://ftp.iza.org/dp5590.pdf)>
- Frequet, Jon. "Asean Economic Community 2015: Ready or not, here it comes." *Bangkokpost.com*. Jan 2015. 15 May. 2015. <<http://www.bangkokpost.com/learning/work/454697/asean-economic-community-2015-ready-or-not-here-it-comes>>
- Huelser, Sarah and Heal, Adam. "Moving Freely? Labor Mobility in ASEAN." *Artnet.unescap.org*. 2014. 22 May 2015. <[artnet.unescap.org/pub/polbrief40.pdf](http://artnet.unescap.org/pub/polbrief40.pdf)>
- Jurje, Flavia and Lavenex, Sandra. "ASEAN Economic Community: what model for labour mobility?." *Wti.org*. 20 May. 2015. <[www.wti.org/.../NCCR\\_working\\_Paper\\_ASEAN\\_Jurje\\_Lavenex\\_.pdf](http://www.wti.org/.../NCCR_working_Paper_ASEAN_Jurje_Lavenex_.pdf)>

- Lombaerde, P De. "Quantitative Monitoring and Comparison of Regional Integration Processes: Steps toward Good Practice." *Cris.unu.edu*. 30 May. 2015. <[www.cris.unu.edu/fileadmin/workingpapers/W-2008-9.pdf](http://www.cris.unu.edu/fileadmin/workingpapers/W-2008-9.pdf)>
- Nedeljkovic, Vena. "Brain Drain in the European Union: Facts and Figures." *Bridgingeurope.net*. 22 May. 2015. <[http://www.bridgingeurope.net/uploads/8/1/7/1/8171506/wp4\\_rethink\\_edu\\_braindrain\\_nedeljkovic.pdf](http://www.bridgingeurope.net/uploads/8/1/7/1/8171506/wp4_rethink_edu_braindrain_nedeljkovic.pdf)>
- Sugiyarto, Guntur and Rannveig Agunias, Dovelyn. "A Freer Flow of Skilled Labour Within ASEAN: Aspiration, Opportunities, and Challenges in 2015 and Beyond." *Migrationpolicy.org*. 2014. 22 May 2014. <<http://www.migrationpolicy.org/research/freer-flow-skilled-labour-within-asean-aspirations-opportunities-and-challenges-2015>>
- The Association of Southeast Asian Nations (ASEAN). "ASEAN Economic Community Blueprint." *Asean.org*. 14 May. 2015. <[www.asean.org/archive/5187-10.pdf](http://www.asean.org/archive/5187-10.pdf)>

# CHINA AND THE ASEAN: A NEED FOR SHIFTING PARADIGM

Dedi Dinarto<sup>1</sup>

## ABSTRACT

*Responding the presence of China, it is worth necessary to understand how the ASEAN member countries manage their conflict or dispute internally and externally. The ASEAN Declaration on the South China Sea' stated ASEAN's position toward the disputed area by means of peaceful way, without resort to force, and to be concerned on exercise restraint (Morse, 1992:2-3). Hence, the ASEAN Way as the basic principal of member countries shows its essence to solve every bilateral or regional disputes using consultation and consensus despite of forces. But, accordingly, this value is justified to set aside the material purposes in which the cooperation was basically made through value and norms as the product of inter-subjectivity, then be used by China to insert its political interest on the South China Sea dispute. In this case, the framework to understand the regional security in ASEAN should be shifted accordingly China's presence.*

*Distinctively, in this paper, I would like to explain further about the need for shifting paradigm in understanding ASEAN regional security answering the assertive presence of China in South China Sea dispute. To seek its relevancy, there are two objectives to be underlined which followed as: (1) to define the ASEAN regional security framework which stands inappropriately to China's presence; and (2) to contend the current paradigm of ASEAN member countries in understanding the South China Sea dispute. Therefore, this paper could give an alternative insight for the ASEAN member countries to take its position toward this conflict.*

**Keyword:** *China, ASEAN, South China Sea, Paradigm*

## Introduction

*"A friend to all is a friend to none" - Aristotle*

To reveal the presence of China in the South China Sea, ASEAN has conducted many agreements on the dialogues together with China. First, the ASEAN Declaration on the South China Sea which was signed in 1992 reminding the

---

<sup>1</sup> Author is an undergraduate student at Department of International Relations, Universitas Gadjah Mada, and a researcher in ASEAN Studies Center, Faculty of Social and Political Sciences, Universitas Gadjah Mada. For further discussion and critics, contact via e-mail [dinartodedi@gmail.com](mailto:dinartodedi@gmail.com).

effort of ASEAN member countries to have an informal code of conduct based on the non-use of force, self-restraint, and the peaceful resolution of disputes.<sup>2</sup> Also, in the next schemes, Philippines and Malaysia urged to address their political interest by applying the code of conduct which was failed and finished under the Declaration on the Conduct of Parties in the South China Sea. Rather than having the more legally binding agreements, ASEAN member countries always ended the negotiation likely to maintain the stability of the conflict instead of seeking a substantive solution. Also Responding the way ASEAN looks at China on the South China Sea dispute, I would like to address the discourse on how both China and ASEAN are making interpretation on the conception of power, which prominently constraint the way to overcome this dispute. The current ASEAN regional security framework remains referred to the ASEAN way by means of peaceful way, without resort to force, and to be concerned on exercise restraint. On the other hand, China sought to achieve its economic interest under the assertive behavior in which adhering the code of conduct, but moving with its visionary political objectives, without any significant response from ASEAN. Therefore, this paper will examine further the ASEAN regional security framework which stands inappropriately to Beijing's presence, and look for the alternative paradigm concerning the settlement on the South China Sea dispute.

### **Understanding The ASEAN Regional Security Framework**

The regional security arrangement of Southeast Asia was once built upon two prominent causes, namely internal and external threats. Regarding the internal threat, the conflict generated between ASEAN countries are mainly expressed by the regional antagonism. There are several intra-state conflicts in Southeast Asia which was first, Indonesia-Malaysia political tension. President Sukarno, who was the Indonesian nationalistic leader declared the Confrontation (Konfrontasi) campaign toward the establishment of Malaysia Federation consisting of Malaya, Singapore, Sabah, and Sarawak. Secondly, the territorial claim of Philippines over North Borneo—currently Sabah—raised the political tension between Manila and Kuala Lumpur. However, both disputes were normalized Indonesia and the Philippines was domestically reformed, in which Indonesia was lead by President Soeharto and President Ferdinand Marcos for Philippines who both committed to build Southeast Asia into a more cooperative regional. Since 1967, the ASEAN member countries have built the principle of non-interference, which means of no military conflict in intra-state affairs and none of country can intervene the other domestic problem. This principle was adopted and long affected the relationship of

---

<sup>2</sup> R. Emmers, 'Maritime Disputes in the South China Sea: Strategic and Diplomatic Status Quo,' in K.C. Guan and J. K. Skogan (eds.), *Maritime Security in Southeast Asia*, Routledge, New York, 2007, p. 55.



ASEAN member countries. Moreover, the integrative cooperation among ASEAN member countries also resulted some prominent principles, which are the respect of sovereignty and the high acknowledgement on freedom, independence, and integrity. According to Sjaastad, some Southeast Asian countries invoked as an absolute principle that no security cooperation should limit national sovereignty.<sup>3</sup> Each member states of ASEAN does not address for the common objectives of security cooperation which imply to reduce or limit the national interest, that are different compared to European Union which built a supranational body to organize the new settlement on regional security issue under European Commission advised by European Security Committee.

Further, the regional security of Southeast Asia was also obviously affected by the presence of external threat. Formerly, Southeast Asia was the 'ideological battlefield' where the imperialism of Soviet Union drove Indonesia and Vietnam by communism. Tackling such ideological war, Southeast Asia countries established ASEAN (Associations of Southeast Asia Nations) as the value-based regime to encounter communism, in addition of arranging the more integrative and cooperative relation among Southeast Asia countries. According to Ralf Emmers, ASEAN is a diplomatic association for political and security cooperation that concentrates on conflict avoidance and management, driven initially by the goal of regional reconciliation.<sup>4</sup> In this regard, we can see that ASEAN was mainly established to maintain the regional security by strengthening the internal relations of member countries as well as balancing the influence of non-member countries. The ASEAN member countries has also stated on the Bangkok Declaration 1967 about how they should deal towards external interference, particularly to several Great Powers which invoked after the World War II, namely the United States of America and China. They seek to defend their regional stability by ensuring the security of ASEAN territory and sovereignty from external interference in any form or manifestation. One of the conflicting and disputed issue that does not go over in Southeast Asia is the issue of the South China Sea with China as an external threat which overcome to seize down and take back the South China Sea as its 'historical' region, and the USA as an interested party in Asia.

Apparently, the effort to maintain regional security under ASEAN framework cannot be separated from China's economic activities. In 1974, China has successfully controlled the entire Spratlys islands though it had the limited power projection where Emmers once said that this limited power projection were based on its lack of naval capabilities, have only few destroyers and submarines

---

<sup>3</sup> A. C. Sjaastad, 'Southeast Asian SLOCs and Security Options', in K. C. Guan, and J. K. Skogan (eds.), *Maritime Security in Southeast Asia*, Routledge, New York, 2007, p. 6.

<sup>4</sup> R. Emmers, *Cooperative Security and the Balance of Power in ASEAN and ARF*, Routledge, New York, 2003, p. 10.

which were operating in China's sea border, and without any aircraft carrier battle.<sup>5</sup> However, the ASEAN member countries has sought to manage this conflict with China through the ASEAN Declaration on the South China Sea signed in 1992 which became the starting point of ASEAN's position toward the disputed area with China by means of peaceful way, without resort to force, and to be concerned on exercise restraint,<sup>6</sup> showing its essence to solve this maritime disputes using consultation and consensus despite of forces. At this point, China was still insisted to talk bilaterally to the claimant countries instead of multilaterally.

Following this issue, in 2002, the ASEAN and China has also successfully enacted the Declaration on the Conduct of Parties in the South China Sea which signed to control the China's action in the Spratlys, and become the first path for the Southeast Asian countries to negotiate over this issue multilaterally toward China. This pact emphasizes the importance to refrain from the use of force or coercive action, refrain from action of inhabiting uninhabited islands, as well as negotiating and resolving over the dispute on the basis of consensus.<sup>7</sup>

Therefore, it is necessarily important to underline the framework of regional security in ASEAN which does not acknowledge the use of force and military action, but stand inconsistently due to the Beijing's initiative on military building. However, surprisingly, this code of conduct will exacerbate China as it will limit the waters activities of China claims and *de facto* controls, while also impeding the China's strategy to enhance its control through maritime patrols. In this case, China as an economic-interested actor is not going to exchange its national advantage for the stability provided by the international law. Instead of complying the international law, based on its national interest, China would advance to the South China Sea as it gives the national advantage for China, mainly for the supply of natural resources in oil and gas. In this case, we could see that the increased tension on political and security relation between ASEAN and China has move toward a more complicated conflict on the South China Sea dispute.

### **China and Dual-Track Approach: The 'Dragon' on The South China Sea Dispute**

Understanding the presence of China in the South China Sea has always been difficult since it can be seen and analyzed through two reasons. First, the main reason is inevitably about the global search for energy and resources of China to respond its remarkable economic growth and gradual development. As the

---

<sup>5</sup> R. Emmers, 2007, p. 53.

<sup>6</sup> J. A. Morse, 'ASEAN Focuses Concern on Spratly Islands Issue,' *Wireless File* (East Asia and Pacific), United States Information Service, 1992, pp. 2-3.

<sup>7</sup> L. Buszynski, 'ASEAN, the Declaration on Conduct, and the South China Sea', *Contemporary Southeast Asia*, vol. 25, no. 3, December 2003, pp. 355-357.

world's second largest of oil importer behind the USA,<sup>8</sup> China sought to fulfill its energy needs for rebalancing the domestic energy supply. Noted that the South China Sea has been known as the prominent off-shore site for rare-earth, crude oil, and natural gas supply, it implies the willingness to take control over that sea bed. Unfortunately, this condition is a vis-à-vis the Southeast Asian states to either pursue their energy supply needs. Caceres pointed out that the ambition of China in global search of energy and resources will be resulted in conflict since it goes with devoid of moral considerations, in which given that sought-after energy sources and natural resources are often found in nation states with weak governance and oppressive leaders, China has struck accords, agreements, deals and pacts with other governments that have little to no respect for, or interest in, international norms of conduct.<sup>9</sup> Differently, dealing with the Southeast Asian countries, China sought to have an 'extraordinary' way of diplomacy.

Second, Xi Jinping as the new assigned leader of People's Republic of China has conducted a new economic regional strategy known as One Belt, One Road – deviated into Silk Road Economic Belt (SREB) and Maritime Silk Road (MSR). This initiative was followed by a white paper published in April 2013 entitled, *The Diversified Employment of China's Armed Forces*, which referred to the People's Liberation Army Navy (PLAN) as China's mainstay for maritime security operations "involving overseas energy and resources, strategic sea lines of communication (SLOCs), and Chinese nationals and legal persons overseas" and would include "vessel protection at sea, evacuation of Chinese nationals overseas and emergency rescue".<sup>10</sup> In order to encounter the domestic energy needs, this initiative is worth to be implemented. On the other hand, this strategic initiative has aggravated the conflict on the South China Sea dispute since the Maritime Silk Road involved the trade route stretching along the South China Sea where the Beijing naval army's increases their operation. Countervailing the fact issued by Emmers previously about the limited power projection, China has gone really assertive by stating its four critical security domains, which are the ocean, outer space, cyberspace, and nuclear forces.<sup>11</sup> This current condition are being regarded as a threat for Southeast Asia countries. From 2013 to 2015, China's military budget was rising approximately

---

<sup>8</sup> S. J. Friedmann, T. Homer-Dixon, 'Out of the Energy Box', *Foreign Affairs*, vol. 83, no. 6, 2004, pp. 72-83.

<sup>9</sup> S. B. Caceres, *China's Strategic Interests in the South China Sea: Power and Resources*, Routledge, New York, 2014, p. 26.

<sup>10</sup> 'The Diversified Employment of China's Armed Forces', *Information Office of the State Council the People's Republic of China* (online), April 2013, <[http://news.xinhuanet.com/english/china/2013-04/16/c\\_132312681.htm](http://news.xinhuanet.com/english/china/2013-04/16/c_132312681.htm)>, accessed October 2<sup>nd</sup>, 2015.

<sup>11</sup> L. Southgate, 'China's White Paper: Implications for Southeast Asia', *The Diplomat* (online), June 7<sup>th</sup> 2015, <<http://thediplomat.com/2015/06/chinas-white-paper-implications-for-southeast-asia/>>, accessed October 8<sup>th</sup> 2015.

US\$ 114.3 billion in 2013,<sup>12</sup> US\$ 131.57 billion in 2014,<sup>13</sup> and US\$ 141.5 billion in 2015.<sup>14</sup> This conflict has developed significantly related to the 'peaceful rise' of China which followed by the rise of navy presence in the South China Sea. Related to ASEAN, China underlined the concern over ocean in the South China Sea disputed area. It also stressed how China remakes their national security thinking toward the possibility of military partnership to jointly secure the sea lines of communication.<sup>15</sup>

Not only increased navy presence in the South China Sea, but the land reclamation over the Spratly Islands and Paracels Islands also lured the attention of claimant countries over the disputed area. There are around seven reefs islands at Spratly Islands that have been constructed and extended for unprecedented reasons, followed as Subi Reef, Gaven Reef, Hughes Reef, Fiery Cross Reef, Johnson South Reef, Cuarteron Reef, and Mischief Reef,<sup>16</sup> while in Paracels Islands, Woody Islands and Duncan Islands have been built intensively. Almost all of these reefs are being constructed of its transportation facilities, such as runways and airports. However, due to Beijing's unprecedented vision, these massive and rapid constructions over the disputed are still controversial.

Having Hua Chunying as the Chinese Foreign Ministry spokesperson, she underlined the reason of the China's naval extensive presence and land reclamation in the South China Sea with the statement to maintain military personnel, safeguard maritime and territorial integrity, respond maritime search and rescue, and increase observation and research as well as enhance fishery production.<sup>17</sup> Xi Jinping has underlined that China-ASEAN relation is based on trust, good-neighborly ties, mutually beneficial cooperation (China-ASEAN Free Trade Area, Asian Infrastructure Investment Bank, China-ASEAN Maritime Cooperation Fund), and standing as well as assisting each other (financial crisis,

---

<sup>12</sup> A. Erickson, 'China's Military Budget Bump: What It Means,' *The Wall Street Journal* (online), March 5<sup>th</sup> 2013, <<http://blogs.wsj.com/chinarealtime/2013/03/05/chinas-military-budget-bump-what-it-means/>>, accessed October 8<sup>th</sup> 2015.

<sup>13</sup> Z. Keck, 'China's Defense Budget: A Mixed Bag,' *The Diplomat* (online), March 08<sup>th</sup> 2014, <<http://thediplomat.com/2014/03/chinas-defense-budget-a-mixed-bag/>>, accessed April 21<sup>st</sup> 2015.

<sup>14</sup> A. Erickson, 'China's Military Spending Swells Again despite Domestic Headwinds,' *The Wall Street Journal* (online), March 5<sup>th</sup> 2015, <<http://blogs.wsj.com/chinarealtime/2015/03/05/chinas-military-spending-swells-again-despite-domestic-headwinds/>>, accessed April 21<sup>st</sup> 2015.

<sup>15</sup> A. Sullivan, A. S. Erickson, 'The Big Story behind China's New Military Strategy,' *The Diplomat* (online), June 5<sup>th</sup> 2015, <<http://thediplomat.com/2015/06/the-big-story-behind-chinas-new-military-strategy/>>, accessed October 8<sup>th</sup> 2015.

<sup>16</sup> V. R. Lee, 'South China Sea: China's Unprecedented Spratlys Building Program,' *The Diplomat* (online), April 25<sup>th</sup> 2015, <<http://thediplomat.com/2015/04/south-china-sea-chinas-unprecedented-spratlys-building-program/>>, accessed October 8<sup>th</sup> 2015.

<sup>17</sup> S. Tiezzi, 'Revealed: China's Reasons for Island-Building in the South China Sea,' *The Diplomat* (online), April 10<sup>th</sup> 2015, <<http://thediplomat.com/2015/04/revealed-chinas-reasons-for-island-building-in-the-south-china-sea/>>, accessed April 22<sup>nd</sup> 2015.

disaster prevention and relief).<sup>18</sup> He also pointed out that both ASEAN and China need to neglect the Cold War mentality, thus championing the new thinking of comprehensive security, common security and cooperative security, and jointly uphold peace and stability in the region.<sup>19</sup> On the other hand, the United States seen that the program will be resulted in supporting and enhancing the Chinese military coverage. As it rejects the presence and activities of China in the South China Sea, U.S. commits to deploy their patrol man observing the 'real' activities there.<sup>20</sup> Through all of those actual actions of China on the South China Sea dispute, we can see that the intention between China and United States on the South China Sea may exacerbate stability of ASEAN regional security.

### **Asean as Regime: Under Security Dilemma**

Accordingly, the ASEAN security problem is immensely mattered in term of its power as a security community. Tonnesson points out that the 'declaration does not establish a legally binding code of conduct which is simply a political statement.'<sup>21</sup> This statement expressed gradual decline of ASEAN as a regime and a set of value to encounter political intention. On the other hand, the current understanding of ASEAN's regional security framework is clarified to set aside material purposes in which the cooperation was basically made through value and norms as the product of inter-subjectivity. Worth to say that the construction of security community in ASEAN is non-sense and rhetorical instead of developing the substantive cooperation.<sup>22</sup> There is no legally binding mechanism that forces the involved parties and members to adhere of the code of conduct. Leifer once said that the ASEAN has no power to deploy because it is neither a defense community nor a party to a countervailing structure of alignments.<sup>23</sup>

In this regard, due to its reliance on value, the ASEAN faces security dilemma. It is a security dilemma because China's military build-up and its growing regional authority are not the indications of Beijing as a revisionist power, and thus any threat perceived in the capitals of ASEAN members are based on an illusory incompatibility. The presumption of that China's military modernization is to

---

<sup>18</sup> X. Jinping, *The Governance of China*, Foreign Languages Press, Beijing, 2014, pp. 320-322.

<sup>19</sup> X. Jinping, 2014, p. 322.

<sup>20</sup> D. Luce, P. McLeary, 'In South China Sea, a Tougher U.S. Stance', *Foreign Policy* (online), October 2nd 2015, <<http://foreignpolicy.com/2015/10/02/in-south-china-sea-a-tougher-u-s-stance/>>, accessed October 8th 2015.

<sup>21</sup> S. Tonnesson, 'Sino-Vietnamese Rapprochement and the South China Sea Irritant', *Security Dialogue*, vol. 34, no. 1, 2003, pp. 55-6.

<sup>22</sup> A. Acharya, *Constructing a Security Community in Southeast Asia: ASEAN and the Problem of Regional Order*, Routledge, New York, 2001, p. 63.

<sup>23</sup> M. Leifer, 'ASEAN as A Model of A Security Community', in H. Soesastro (ed.), *ASEAN in a Changed Regional and International Political Economy*, Centre for Strategic and International Studies, Jakarta, 1995, p. 141.

become the leading hegemonic power in the region which has influenced ASEAN's state behavior because of its indirect deterrence – still gone unclarified.

If we thoroughly pay attention into the problem of ASEAN regional security, there are two problematic status quos that faced by ASEAN member countries, namely the lack of common vision among ASEAN member countries toward China as a threat, and the high influence of great power who has interest on the South China Sea dispute. The separated vision among ASEAN member countries has brought them into some kind of uncertainty and unprecedented future over its regionalism. The progress to encounter the South China Sea dispute is stalled and not every member country is involved in the territorial disputes. For instance, Indonesia and Singapore are often become the neutral side as well as the mediator, whilst Cambodia, Laos, Myanmar, and Thailand are not interested to involve since China has contributed for around 12 percent of trade to ASEAN.<sup>24</sup> ASEAN as a regional power is scrambled inside and enormously several countries are depend on China. This condition shall be difficult for the ASEAN member countries contending their vision as a cohesive and integrated regional power. Moreover, it is exacerbated since ASEAN can only pursue their interest based on negotiation.

On the other hand, ASEAN also needs to look further at its condition that is mostly directed by the activity of global power, such as China. There is always unclear that ASEAN has a substantive solution over the dispute instead of depending on the action of China or the other related great powers, especially on the issue of South China Sea. As underlined by Evelyn Goh on her research about the great power and Southeast Asia countries, the characteristic of Southeast Asia countries have always been difficult to be separated independently from their relations with great powers. She characterized the diplomatic way of ASEAN member countries as *omnienmeshment*: caught between the great powers' existence and playing inside the game using dual-approach diplomatic depends on their national interest.<sup>25</sup> Thus, on the South China Sea dispute, ASEAN as a security community cannot give any common view toward it as each country is depended on certain great powers. Therefore, back to the first problem, the ASEAN member countries has a difficult way to reach their independency. In this case, we can infer that neither ASEAN claimant countries nor non- ASEAN claimant countries have the common view toward the South China Sea dispute. The scrambled intra-relations shows that they need to look once again into their common and shared vision about the regional security community.

---

<sup>24</sup> S. Tiezzi, 'Why China Isn't Interested in a South China Sea Code of Conduct', *The Diplomat* (online), February 26<sup>th</sup> 2014, <<http://thediplomat.com/2014/02/why-china-isnt-interested-in-a-south-china-sea-code-of-conduct/>>, accessed October 10<sup>th</sup> 2015.

<sup>25</sup> E. Goh, 'Great Powers and Hierarchical Order in Southeast Asia: Analyzing Regional Security Strategies', *International Security*, vol. 32, no. 3, (Winter 2007/2008), pp. 113-157.

Refer to the discussion above, we may see that the presence of China on the South China Sea dispute in which they seek to pursue their national interests by conducting the assertive foreign policy toward the conflicted area. Relating to its domestic problem, China has gone as a state called as an *essential state*. According to Wendt, state is an actor whose behaviors are based on the various fundamental interests. He looks over the state as an essential entity which has the interdependent connection with its domestic society – there is no separation between state and society as well as the relation of master and slave, teacher and student, in which the nature of both elements are lies on their functions.<sup>26</sup> A state is an *essential state* which subjectively represents its society based on idea or identity, interests, and action, as well as quoted: “Without ideas there are no interests, without interests there are no meaningful material conditions, without material conditions there is no reality at all.”<sup>27</sup>

Within this limitation of view, we have to acknowledge China as an essential state which policy is based on their national interests rather than looking at it as the actor which moved by the *distribution of power*: fear of losing power at regional level. As stated above that the China’s objectives in its assertive way on the South China Sea dispute are to meet the needs of national economy and expansion of the People’s Liberation Army’s role in global security. As far as to achieve its national interests, China does not probe further over its assertiveness as the threat for ASEAN regional security.

However, ASEAN’s arrangement on the regional security can be understood in the more liberal perspective, as it looks towards the value-based cooperation rather than the substantive action to create a more stable and maintainable regional security. Nevertheless, each country does not contend their foreign policy in the regional level as a reflection of national interests instead on a value-based cooperation, but tremendously choosing the best foreign policy towards its great power – in this case I believe that each ASEAN member countries has put ASEAN as second priority. Even though ASEAN member countries has issued the more substantive agenda on their intra-states relation under the enactment of ASEAN Political Security Community Blueprint, it does not show any significant works towards the balancing measurement of external threat: as simply as Evelyn Goh underlined about their *omnienmeshment* characteristic. Therefore, we could conclude that there is a clash on how China envisioned their interest on the South China Sea and the way ASEAN look at their regional security.

---

<sup>26</sup> A. Wendt, *Social Theory of International Politics*, Cambridge University Press, Cambridge, 2003, p. 199.

<sup>27</sup> A. Wendt, 2003, p. 139.

### Shifting on ASEAN's Paradigm?

ASEAN needs shifting on paradigm. Probably, the main idea to tackle down the security dilemma of ASEAN on its security discourse is to shift the paradigm. What I mean here by paradigm is based on how Thomas Kuhn perceive about the scientific revolution, in which related to 'normal science' that needs to be developed for its further practice.<sup>28</sup> In the international relations analysis, we hope to find the dynamic over particular issue. For instance, the time when Cold War enclosed international politics as a bipolar-centric structure, the IR scholars seek to debate on the discourse of realignment within international politics—finding out the possibility of future from this *status quo*. Cold War as a result of shared paradigm about international politics then find itself changed after the deconstruction of Soviet Union, in which IR scholars move their paradigm to see that the possibility to have a single great power in international politics is inevitable—the United States. In this part, I want to ensure that the resolved problematic security on ASEAN-China relation could be achieved through paradigm shifting—instead of there are some discourses about the technical conflict resolution and dispute settlement on the South China Sea.

Alternatively, I prefer to look at this issue in the way to foresee the possibility of ASEAN member countries seeking their way out from security dilemmas. In my opinion, ASEAN needs to do something according to the regional demands without neglecting what has been done by other external entity. In this case, ASEAN needs to convene the ASEAN Regional Forum and establish more substantive regional security cooperation. At least, there are two possibilities of action for ASEAN—being cooperative or competitive.

According to Alan Collins, there are two options which prompt the security dilemma of ASEAN towards China, follow as: (1) make China give up its sovereignty claims in the Spratly islands, or (2) ASEAN convinces Beijing that sovereignty should not be an issue, in much the same way as it has done for intra-ASEAN territorial disputes.<sup>29</sup>

The first option is somewhat difficult to be implemented by ASEAN member countries since China's firm agenda 'conquering' the South China Sea is inevitable. However, Collins perceived that the second option would be better. The second option can provide an opportunity for ASEAN to give a pressure and compromise against Chinese hegemony in the South China Sea—in cooperative ends. As what discussed by Barnett and Duvall on their idea about power in the global governance, this option would give the clearance that the ASEAN member countries

---

<sup>28</sup> T. S. Kuhn, *The Structure of Scientific Revolutions*, 3<sup>rd</sup> edn., The University of Chicago Press, Chicago, 1996, p. 10.

<sup>29</sup> A. Collins, *The Security Dilemmas of Southeast Asia*, Macmillan Press, London, 2000, p. 161.



sought to obtain power from the interaction or constitution.<sup>30</sup> It aims to explain that power nearly becomes an attribute that an actor possesses and may use knowingly as a resource to shape the actions and/or conditions of action of others.

Having China works inside the cooperative framework of ASEAN, the Southeast Asian countries could disperse China from its political objection in the South China Sea, and emphasizing on the economic cooperation to build the South China Sea together. ASEAN can works under the provision of China-ASEAN Maritime Cooperation Fund to engage China into ASEAN in with high intensity. The term of power here is not being discussed as the force to control other actors coercively instead of influencing its interest by interaction gradually. Acknowledging China as a positive enemy, ASEAN could benefit from the economic cooperation as well as reforming its conception or paradigm on regional security community. Roughly speaking, the assertiveness of China on the South China Sea dispute could bring a dynamic change on the process of regionalism in ASEAN.

On the other hand, ASEAN could also be more competitive to the existence of China in the South China Sea. Competitive means that ASEAN has to do a balancing by enhancing security community substantively. Not to be collided with the ASEAN Political Security Community Blueprint 2009-2015, it is important for ASEAN member countries to address their common interests on the military cooperation, particularly on the provision of common military equipment and personnel for regional integrity despites of the exclusive cooperation among disputed ASEAN member. As it suggested for the regional security, the provision on common military equipment and personnel is not allowed to be used for intra-state affairs. Moreover, there is one of the most relevant program inside the APSC Blueprint is that the Confidence-Building Measures which look forward of the ASEAN Defense and military officials exchange.<sup>31</sup> This knowledge exchange on military capabilities and quality could be the first-step to enhance substantive security cooperation among ASEAN member states. However, a defense analysis from HIS Janes Defence Weekly shown that the Southeast Asia states has projected a rising on military budget from \$42 billion in 2015 to \$52 billion in 2020, in order to encounter China's security threat.<sup>32</sup> In a range of 5 years, the rising military budget from \$42 billion to \$52 billion is quite low and inadequate as to rebalance Beijing in the South China Sea.

---

<sup>30</sup> M. Barnett, R. Duvall, *Power in Global Governance*, Cambridge University Press, New York, 2005, pp. 9-10.

<sup>31</sup> Ministry of Foreign Affairs of Indonesia, Directorate General of ASEAN Cooperation, *ASEAN Political Security Community Blueprint*, MFAIDGAC, Jakarta, 2014, p. 14.

<sup>32</sup> S. Govindasamy, 'Southeast Asia Maritime Build-up Accelerates, Raising Risks in Disputed Area', *Reuters* (online), May 25<sup>th</sup> 2015, <<http://www.reuters.com/article/2015/05/25/southchinasea-maritime->

Therefore, both solutions—either cooperative or competitive can be acknowledged as the way to rebalance the position of ASEAN on the South China Sea dispute. Here, I do not point out the importance of competition or cooperation as a solution to the South China Sea dispute, instead of enhancing the diplomatic and bargaining position of ASEAN countries towards China and strategically find the opportunity amidst conflict.

### **Conclusion**

The conclusion comes over how we could see that the ASEAN regional security faces such security dilemma on its external relation to China. Beijing's assertive foreign policy which seen as a threat to the ASEAN regional security needs to be understood as a platform in which ASEAN could gain benefit in economic cooperation and reflection on its regional security. Even though ASEAN is built as a regional power, it is necessarily important to consistently adjust their position towards China by either being cooperative or competitive— shifting the paradigm on ASEAN' view towards China.

### **NOTES LITERATURE SOURCES**

- Acharya, A., *Constructing a Security Community in Southeast Asia: ASEAN and the Problem of Regional Order*, Routledge, New York, 2001.
- Barnett, M., R. Duvall, *Power in Global Governance*, Cambridge University Press, New York, 2005.
- Buszynski, L., 'ASEAN, the Declaration on Conduct, and the South China Sea', *Contemporary Southeast Asia*, vol. 25, no. 3, December 2003, pp. 343-362.
- Caceres, S. B., *China's Strategic Interests in the South China Sea: Power and Resources*, Routledge, New York, 2014.
- Collins, A., *The Security Dilemmas of Southeast Asia*, Macmillan Press, London, 2000.
- Emmers, R., *Cooperative Security and the Balance of Power in ASEAN and ARF*, Routledge, New York, 2003.
- Emmers, R., 'Maritime Disputes in the South China Sea: Strategic and Diplomatic Status Quo,' in K. C. Guan and J. K. Skogan (eds.), *Maritime Security in Southeast Asia*, Routledge, New York, 2007, pp. 49-61.
- Friedmann, S. J., T. Homer-Dixon, 'Out of the Energy Box', *Foreign Affairs*, vol. 83, no. 6, 2004, pp. 72-83.
- Goh, E., 'Great Powers and Hierarchical Order in Southeast Asia: Analyzing Regional Security Strategies', *International Security*, vol. 32, no. 3, (Winter 2007/2008), pp. 113-157. Jinping, X., *The Governance of China*, Foreign Languages Press, Beijing, 2014.
- Kuhn, T.S., *The Structure of Scientific Revolutions*, 3<sup>rd</sup> edn., The University of Chicago Press, Chicago, 1996.

- Leifer, M., 'ASEAN as A Model of A Security Community', in H. Soesastro (ed.), *ASEAN in a Changed Regional and International Political Economy*, Centre for Strategic and International Studies, Jakarta, 1995, pp. 129-142.
- Ministry of Foreign Affairs of Indonesia, Directorate General of ASEAN Cooperation, *ASEAN Political Security Community Blueprint*, MFAIDGAC, Jakarta, 2014.
- Morse, J. A., 'ASEAN Focuses Concern on Spratly Islands Issue,' *Wireless File* (East Asia and Pacific), United States Information Service, 1992.
- Sjaastad, A. C., 'Southeast Asian SLOCs and Security Options', in K. C. Guan, and J. K. Skogan (eds.), *Maritime Security in Southeast Asia*, Routledge, New York, 2007, pp. 3-13. Tonnesson, S., 'Sino-Vietnamese Rapprochement and the South China Sea Irritant', *Security Dialogue*, vol. 34, no. 1, 2003, pp. 55-70.
- Wendt, A., *Social Theory of International Politics*, Cambridge University Press, Cambridge, 2003.

### Online Sources

- 'The Diversified Employment of China's Armed Forces', *Information Office of the State Council the People's Republic of China* (online), April 2013, <[http://news.xinhuanet.com/english/china/2013-04/16/c\\_132312681.htm](http://news.xinhuanet.com/english/china/2013-04/16/c_132312681.htm)>, accessed October 2<sup>nd</sup>, 2015.
- Erickson, A., 'China's Military Budget Bump: What It Means,' *The Wall Street Journal* (online), March 5<sup>th</sup> 2013, <<http://blogs.wsj.com/chinarealtime/2013/03/05/chinas-military-budget-bump-what-it-means/>>, accessed October 8<sup>th</sup> 2015.
- Erickson, A., 'China's Military Spending Swells Again despite Domestic Headwinds,' *The Wall Street Journal* (online), March 5<sup>th</sup> 2015, <<http://blogs.wsj.com/chinarealtime/2015/03/05/chinas-military-spending-swells-again-despite-domestic-headwinds/>>, accessed April 21<sup>st</sup> 2015.
- Govindasamy, S., 'Southeast Asia Maritime Build-up Accelerates, Raising Risks in Disputed Area', *Reuters* (online), May 25<sup>th</sup> 2015, <<http://www.reuters.com/article/2015/05/25/southchinasea-maritime-buildup-idUSL3N0YC60W20150525>>, accessed October 14<sup>th</sup> 2015.
- Keck, Z., 'China's Defense Budget: A Mixed Bag,' *The Diplomat* (online), March 08<sup>th</sup> 2014, <<http://thediplomat.com/2014/03/chinas-defense-budget-a-mixed-bag/>>, accessed April 21<sup>st</sup> 2015.
- Lee, V. R., 'South China Sea: China's Unprecedented Spratlys Building Program', *The Diplomat* (online), April 25<sup>th</sup> 2015, <<http://thediplomat.com/2015/04/south-china-sea-chinas-unprecedented-spratlys-building-program/>>, accessed October 8<sup>th</sup> 2015.

- Luce, D., P. McLeary, 'In South China Sea, a Tougher U.S. Stance', *Foreign Policy* (online), October 2<sup>nd</sup> 2015, <<http://foreignpolicy.com/2015/10/02/in-south-china-sea-a-tougher-u-s-stance/>>, accessed October 8<sup>th</sup> 2015.
- Southgate, L., 'China's White Paper: Implications for Southeast Asia', *The Diplomat* (online), June 7<sup>th</sup> 2015, <<http://thediplomat.com/2015/06/chinas-white-paper-implications-for-southeast-asia/>>, accessed October 8<sup>th</sup> 2015.
- Sullivan, A., A. S. Erickson, 'The Big Story behind China's New Military Strategy', *The Diplomat* (online), June 5<sup>th</sup> 2015, <<http://thediplomat.com/2015/06/the-big-story-behind-chinas-new-military-strategy/>>, accessed October 8<sup>th</sup> 2015.
- Tiezzi, S., 'Revealed: China's Reasons for Island-Building in the South China Sea,' *The Diplomat* (online), April 10<sup>th</sup> 2015, <<http://thediplomat.com/2015/04/revealed-chinas-reasons-for-island-building-in-the-south-china-sea/>>, accessed April 22<sup>nd</sup> 2015.
- Tiezzi, S., 'Why China Isn't Interested in a South China Sea Code of Conduct', *The Diplomat* (online), February 26<sup>th</sup> 2014, <<http://thediplomat.com/2014/02/why-china-isnt-interested-in-a-south-china-sea-code-of-conduct/>>, accessed October 10<sup>th</sup> 2015.

**REGIONAL TRADE BLOCS AND DEVELOPMENT COOPERATION:  
*Examining the ASEAN Economic Community as a Facilitator of South-South Development Assistance***

*Tanner Boisjolie  
Simon Fraser University*

**ABSTRACT**

*This paper seeks to analyze the increasing power of the “emerging economies” of the Global South in two inter-related processes. Firstly, the rise of many of the most prominent MICs has been closely related to the proliferation of regional trade agreements (RTAs), such as MERCOSUR, SADC, and ASEAN. Regional trade agreements have been important sources of growth for many MICs, but their benefits are not unconditional – the effects of RTAs on economic growth and trade promotion are largely dependent on the relative sizes and compositions of the involved national economies, and on the extent to which the RTA contains provisions that successfully erode both tariff and nontariff barriers to commerce. Secondly, this paper will examine the role that economic change has had on the expansion of South-South Cooperation and the international development assistance landscape. Although South-South Cooperation has been an integral objective of many developing country foreign policies for decades, fiscal constraints severely limited the extent to which intra-South development assistance has been able to facilitate social and economic development. The growing stature of MIC economies has greatly increased the volume of South-South development assistance, as well as the number of countries acting as providing partners in intra-South development cooperation funding. This paper will draw on the experience of ASEAN (with reference to other RTAs for comparison) to analyze the impact of regional trade agreements in promoting economic growth vis-a-vis intra-regional trade. Further, this paper argues that RTAs provide incentives for their more affluent members to provide official development assistance to their less-developed peers.*

**INTRODUCTION**

The late twentieth and early twenty-first centuries have witnessed an unprecedented shift in the distribution of global economic power. Slowing economic performance, stagnation, and even recession have characterized much of the Global North, as post-industrial nations struggle with the dilemma of continuous growth and encounter the challenges of unemployment, sovereign debt crises, and the twin problems of demographic greying and growing social insurance costs. Meanwhile, for a number of Middle Income Countries (MICs), the past three decades have seen a surge in economic performance, as growing exports, expanding volumes of foreign investment, and increasing levels of human development have formed solid foundations for economic growth.

The result of these divergent patterns of economic performance has been a sharp contraction of the Global North's preeminence in the international political economy, and the onset of a trend toward economic convergence between the "developed" world and many MICs. In absolute terms, the period between 1980 and 2011 saw the OECD countries share of global economic output decline from roughly 78% to 65% (OECD 2013: 39). By the OECD's own projections, the "developing world" is poised to account for more than half of global GDP by 2060 (Economist 2012). Although the process of North-South economic convergence is still ongoing and far from complete, the South's growing economic might has had a number of implications for global governance. Increasingly, decisions relating to global economic policy are made not in the Group of Eight, but in the more representative Group of Twenty Major Economies, which includes both advanced industrial nations and significant emerging economies such as India, China, Brazil, South Africa, and Indonesia (Mawdsley 2012: 194).

This paper seeks to analyze the increasing power of the "emerging economies" of the Global South in two inter-related processes. Firstly, the rise of many of the most prominent MICs has been closely related to the proliferation of regional trade agreements (RTAs), such as MERCOSUR, SADC, and ASEAN. Regional trade agreements have been important sources of growth for many MICs, but their benefits are not unconditional-- the effects of RTAs on economic growth and trade promotion are largely dependent on the relative sizes and compositions of the involved national economies, and on the extent to which the RTA contains provisions that successfully erode both tariff and nontariff barriers to commerce.

Secondly, this paper will examine the role that economic change has had on the expansion of South-South Cooperation and the international development assistance landscape. Although South-South Cooperation has been an integral objective of many developing country foreign policies for decades, fiscal constraints severely limited the extent to which intra-South development assistance has been able to facilitate social and economic development. The growing stature of MIC economies has greatly increased the volume of South-South development assistance, as well as the number of countries acting as providing partners in intra-South development cooperation funding.

This paper will draw on the experience of ASEAN (with reference to other RTAs for comparison) to analyze the impact of regional trade agreements in promoting economic growth vis-a-vis intra-regional trade. Further, this paper argues that RTAs provide incentives for their more affluent members to provide official development assistance to their less-developed peers. In economic terms, providing assistance to less developed partners within an RTA creates the potential that that country can more fully contribute to economic growth, by cultivating complementarities and increasing productivity in areas of economic specialization.

Beyond the economic benefits of such development partnerships, RTAs are also likely to correlate with South-South Cooperation for geopolitical reasons -- states are likely to have strategic interests in countries which are geographically proximate, and are thus more likely to make use of development assistance as a foreign policy tool for achieving consequent objectives. Finally, the extent to which RTA members consider themselves as members of a genuine community of nations is also likely to result in the extension of South-South Development aid grounded in altruistic or communitarian motivations.

### **Regional Trade Blocs and Economic Development**

Since the end of the Second World War, regional integration has been a crucial vehicle for the international community to promote economic development. The regional divisions of the global economy were quickly formalized in the post-war financial order. In Western Europe, the Marshall Plan erased trade barriers between the major European economies, and created institutions designed to coordinate economic activity on a continental scale, including the Organization for European Economic Cooperation (OEEC), which eventually became the OECD. In subsequent decades, regional development banks, such as the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank were established to promote regional integration and economic and social development within their jurisdictions (Yadav 2010: 17).

Although the emergence of such regional institutions has occurred within a grander context of trade liberalization at the global scale, regional trade agreements are far more likely to produce positive economic outcomes in less developed countries than frameworks that operate on the global level. Ricardian economic theory suggests that countries in a liberalized world economy pursuing their respective comparative advantages will ultimately improve their welfare, as trade optimization ensures the best possible outcomes for all parties. However, the substantial gap between the global North and the Global South has complicated the extent to which trade liberalization alone can promote catch-up growth and eventual convergence between the developing world and the most dynamic post-industrial economies.

Substantial differentials in financial, productive, and human capital have raised doubts about the efficacy of open trade between the world's poorest countries and those higher up the development ladder, which have been articulated at length by dependency theorists (Notably, Prebisch 1950 and Singer 1950). Abramovitz (1986) emphasizes the importance of 'Social Capabilities' as a prerequisite for compensatory growth, as the ever-changing world economy demands that states absorb new technology, attract capital, and have the ability to competitively participate in global markets. Each of these challenges can be crippling for the least

developed countries, which frequently fall into 'efficiency traps' where in productivity lags behind international competitors due to an inability to acquire state of the art equipment, leading to inefficiency and suboptimal performance in international markets. In many cases, this has resulted in developing nations getting "stuck" in the primary sector of the world economy, exporting mineral and agricultural products, and struggling to move up in the global division of labour.

In order to be competitive in the world economy, most states in the Global South need to accumulate sufficient financial, productive, and human capital to increase and diversify production and achieve positive economies of scale. Regional cooperation has emerged as the most logical form of partnership to overcome such constraints on catch-up growth. There is a well-documented trend toward a "neighbourhood bias" in international trade, in which countries tend to have higher trade intensity with partners in their immediate vicinity (Chand 2006: 95). Geographical proximity lowers transaction costs for exchanges between neighbours, and both social and economic relationships stand to benefit from cultural and historical connections between the peoples of a given region (Yadav 2010: 45). There are also material factors which contribute to the enhanced likelihood of symbiotic trade relationships between countries in the same region-- inequalities between neighbouring countries tend to be much smaller than at the global level, rendering regional trade agreements an attractive way to create a "level playing field" with countries at similar stages of development, while also paving the way for specialization and the formation of a strong regional division of labour (Ibid.: 17).

Even in the event of uneven growth rates within trade blocs, RTAs have historically proven beneficial for both their faster and slower growing members. In 1950s Europe, for instance, countries which transitioned to high-technological sectors and entered a period of "positive deindustrialization" shed manufacturing jobs and made room for less advanced members to build their own investment-export nexus to begin a process of convergence with their more advanced neighbours. As the European experience has indicated, economic growth in one country has the potential to spill over into neighbouring states, and promote regional integration and economic growth by "passing down" roles in the regional division of labour and increasing levels of intra-regional investment. This "recycling" of comparative advantage is perhaps illustrated most clearly in East Asia, where economic upgrading in Japan opened up opportunities for less developed neighbours to increase their resource-based and labour-intensive industries, often with extensive investment from Japanese firms (Yadav 2010: 36-37, Chibber 2003.: 78). RTAs provide an institutional framework for such investments to occur, and thus facilitate the emergence of a regional division of labour that ultimately benefits both more and less advanced members of an economic bloc.



As South-South solidarity has increased as a foreign policy priority for many developing countries, regional trade agreements have emerged as a preferred modality for mutual economic cooperation. It is important to recognize that the degree of coordination required for states to craft a successful regional trade agreement has the potential to be quite substantial. RTAs come in a variety of forms, which can be positioned on a spectrum according to the degree to which member states cede sovereignty over economic policy to a larger regional body. Depending on the terms of a particular RTA, signatories may need to coordinate tariff and import policies, harmonize laws governing economic activity, or contribute to structural funds aiming to reduce economic and social disparities within and across member states.

In their least expansive form, regional trade agreements might merely seek to create preferential trading conditions amongst partner nations through the imposition of a tariff preference scheme. Further cooperation is required in the establishment of free trade agreements, which require significant policy harmonization to facilitate the free flow of goods, the mobility of financial capital, economic production, and in some instances, labour. Free trade agreements in the Global South include the ASEAN Free Trade Area, MERCOSUR, and the Southern African Development Community (SADC) Free Trade Area. In their most expansive form, regional trade blocs can require members to adopt common policies in their external economic relations through customs unions. Examples of customs unions include the Southern African Customs Union (SACU), the Eurasian Customs Union (EACU), and the Andean Community (CAN). Although one might expect the degree of policy coordination to correlate with integration outcomes, this has not always been the case.

### **A Tale of Two Rtas: Cemas and ASEAN**

There are some RTAs which have proven ineffective at increasing intra-regional exchange and spurring development despite high levels of de jure integration, revealing the importance of policies within an RTA's membership for intensifying economic relationships. The Economic and Monetary Community of Central Africa (CEMAC) is exemplary of an RTA which has not notably contributed to regional integration, despite its mandate to establish a full customs union for its member states and its management of the CFA Franc as a common currency. Amongst the six countries that comprise the CEMAC bloc (Cameroon, Central African Republic, Chad, Republic of the Congo, Equatorial Guinea, and Gabon), intra-regional trade accounts for just under 2% of total international trade (World Bank 2013b). This sluggish level of intra-regional trade has been attributed to structural issues within member economies, including high dependence on resource exports to industrial economies, lack of economic complementarities, high tariff and

nontariff barriers to trade, and minimal financial integration and factor mobility (Oliva 2008: 6-7).

In comparison to many other RTAs, including several on the African continent, CEMAC has done little to create gains for members through the establishment of an effective regional division of labour; consequentially, it has done little to promote economic diversification in its member states' economies; and it has done little to spur intra-bloc investment relationships that could contribute to the previous two points. What accounts for CEMAC's failure to spur greater economic integration? Two key factors have been identified for CEMAC's sluggish rate of integration. First, the economies of most members are based on raw materials exports to industrial economies outside of the region. Cameroon, Chad, Congo, Equatorial Guinea, and Gabon are each highly dependent on oil exports, and of these countries, Cameroon is the only economy to export more than one percent of its goods and services to other CEMAC states (Yadav 2010: 57). This is illustrative of a common challenge for RTAs in the developing world-- members are unlikely to maximize their economic benefits if there are few opportunities for complementarity, intra-industry trade, and a productive international division of labour.

Further, although CEMAC's terms include the implementation of a common currency and the removal of tariff barriers to trade amongst its six members, it has failed to address non-tariff barriers to trade, which are plentiful in the CEMAC block. Since the reduction of tariffs in 1994, many CEMAC states have introduced an array of "para-tariffs," creating a non-transparent regime of import and export fees (such as "computer user" fees and timber levies), which can total as high as 3.5% of import values (Olivia 2008: 11). Further, severe governance and rule of law problems in some member states have not created permissive business environments, and indeed, impose costs on firms engaging in cross-border trade. Arbitrary para-tariff fees, losses to corruption, export taxes, and cumbersome licensing processes are amongst the most prominent barriers to further integration (Ibid.: 12-13).

In contrast, ASEAN has proven to be a relatively cohesive RTA, and as a body has facilitated further trade relationships and both external and internal development assistance. Since 1997, platforms such as the ASEAN Plus Three forum with China, Japan, and South Korea have jointly navigated the trade bloc's relationships with other major economies in East Asia and facilitated further regional coordination in important policy areas. Sectors of cooperation have included human security, transnational crime, trade, finance and investment, agriculture, tourism, and development promotion. The grouping has notably produced the Chiang Mai Initiative, a currency swap arrangement aimed at ensuring macro-financial stability in the region, and has facilitated the negotiation of free trade pacts between ASEAN

and China, Japan, and South Korea. Additionally, ASEAN has served as a platform for member states to collectively negotiate free trade agreements with Australia, New Zealand, and India, and has been an invaluable forum in the bloc's bilateral relationships with great powers and with other international organizations (ASEAN: External Relations).

In terms of promoting intraregional trade, ASEAN has been amongst the most successful regional organizations. By the organization's own statistics, intra-regional exchanges account for 25% of total international trade, though this figure can vary dramatically across member states. Intra-regional trade as a proportion of overall trade ranges from a low of 17.2% (Vietnam) to 64% (Laos), and taking an unweighted average reveals that the average ASEAN country trades within the bloc to the tune of 30% of total trade (Ibid.). In comparison to CEMAC, ASEAN's success can be attributed to a number of structural factors that characterize its constituent economies. Unlike CEMAC, which is made up of economies primarily based on resource exports and characterized by single-sector dependency, ASEAN states have had greater opportunity to exploit complementarities thanks to the prospects for an enhanced division of labour presented by relatively developed value-added manufacturing sectors. While agriculture remains a major industry in the bloc at large, the presence of relatively developed textile, electronics, and machinery sectors has facilitated integration (ASEAN, Yadav 2010).

Although ASEAN does not oversee a customs union or common currency, it has the explicit goal of forming "a prosperous, and highly competitive region with equitable economic development, and reduced poverty and socio-economic disparities" (ASEAN & World Bank: i). Within the ASEAN Economic Community, intra-ASEAN tariff barriers to trade have rapidly declined, and non-tariff trade barriers have gradually deteriorated through harmonization around international standards on customs regulations (Ibid.: vii, Yadav 2010: 209). Further, AEC countries have rapidly expanded the volume of intra-regional foreign direct investments (FDI), and intra-industry trade has contributed to a budding regional division of labour (Techakanont 2012). Thus, the AEC has been a net positive for ASEAN economies, and has served as a catalyst for further integration, economic dynamism, and a generally strong growth trajectory.

### **Regional Trade Blocs and Development Assistance**

In addition to the positive influence of RTAs in promoting intra-regional trade, investment, and mutual growth, political and economic incentives created by such arrangements also encourage official development assistance from more developed to less developed members. This is perhaps most pronounced in RTAs in which member states have significantly contrasting income levels. For instance, within the Commonwealth of Independent States (CIS), the Russian Federation is by

far the preeminent economic power, accounting for roughly 75% of the bloc's GDP. As Moscow has reestablished and expanded its commitments to foreign aids pending, a majority of funds have been channelled to CIS countries, particularly in Central Asia. Although precise figures for Russia's aid activities are not available, Foreign Minister Sergey Lavrov had declared that "[Moscow] attaches particular importance to assisting the CIS region," and has publically contributed more than \$10 billion to the Eurasian Economic Community's Anti-Crisis Fund (Lavrov, 2010).

Trade blocks containing both highly developed and middle income countries, such as the EU and NAFTA, have also seen a number of fiscal transfers from richer to poorer states, though often times this assistance is not promoted as "aid." Such transfers can include traditional aid, but often include debt write-offs, stabilization loans, and other safeguards against economic shocks which could adversely affect other countries within the bloc. Recently, high-profile debt bailouts within the Euro zone have been the most visible form of intra-European economic assistance, even if such funds are not directed toward "development" *per se*. Although Europe's bailouts have attracted the most media attention, the EU is also involved in channeling aid to prospective and less-developed members of the Union. Funds are allocated to a number of policy areas designed to improve countries' abilities to integrate fruitfully with the rest of Europe, including institution building, cross-border cooperation, regional development, human resource development, and rural development (European Commission). Through the European Commission, pre-accession assistance has been provided to Turkey and several former Yugoslav Republics; through the Commission's Regional Aid programs, the EU has sent funding to sitting members such as Bulgaria, Romania, Hungary, and Poland in order to promote "economic development... in the less advanced regions of Europe". (Ibid.).

Although some newly emerging donors (most notably the BRIC nations) are engaged in extensive extra-regional development activities, a vast majority of South-South Cooperation has occurred on a regional basis, often coinciding with the boundaries of regional trading blocs. In cases where gaps between nations are vast, but expanded trade relations remain an important objective for member governments, there is a tendency for relatively prosperous states to contribute to the development of their poorer peers. The Southern African Customs Union (SACU), for instance, is a customs union comprised of South Africa, Botswana, Lesotho, Namibia, and Swaziland. Within the SACU, South Africa stands out as the most dynamic economy, accounting for nearly 90% of the bloc's GDP. Because of South Africa's preeminence within the regional economy, the country has dominated intra- and extra-regional trade within the bloc, and intra-regional trade patterns have often mirrored North-South economic relationships, with South Africa

exporting mainly manufactures to its neighbours, and importing commodities (Sidiropoulos 2012: 222).

In order to facilitate economic growth and development within partner countries, South Africa has adopted policies both within and beyond the SACU framework to assist its peers. Within the SACU, members share the revenues accrued from customs duties, which are divided according to a formula based mainly on trade within the SACU. South Africa receives just 10% of the revenue accrued from the bloc's customs, with the remaining 90% going to its smaller neighbours as budgetary support (Ibid). Additionally, the SACU collects 15% of the bloc's collected excise duties, which is distributed as a development fund shared by states according to GDP per capita. In practical terms, however, the "development fund" is not allocated for or tied to specific development projects, and thus functions as additional budgetary support (Ibid.: 224; World Bank 2003: 10).

South Africa has additionally been an active provider of South-South development assistance outside of SACU funding pools. A sizeable majority of this assistance goes to states on the African continent, with members of the SACU and SADC featuring prominently as top recipients of South African development funding. This aid is channeled through a number of government departments, including specialized bodies such as the African Renaissance Fund, and more general-purposed departments such as the Department of International Relations and Cooperation and the Department of Agriculture. Development assistance distributed through these channels tends to target specific policy areas, such as the promotion of democracy and good governance, socio-economic development projects, humanitarian aid, and human resource development (ARF 2014). Notable examples of this assistance include infrastructure projects in Lesotho, electoral support to Zimbabwe, fiscal stabilization funds to Swaziland, and direct investments in Namibian industry (Sidiropoulos 2012: 227, 232).

In Southeast Asia, ASEAN has similarly facilitated development assistance between more and less advanced members, though the lack of a clearly dominant economy in the bloc offers a very different dynamic than the one seen in the CIS, EU, and SACU. In absolute terms, Indonesia is the largest economy in the region, yet it still accounts for less than one-third of the bloc's GDP (World Bank). Moreover, focusing on the aggregate sizes of economies in ASEAN obfuscates important differences in members' per-capita wealth, as well as relatively large numbers of people living in poverty even within some of the region's most dynamic economies. Despite the shared problems of poverty in the ASEAN region, most of the bloc's largest economies are growing increasingly active in sending development assistance to other nations, much of which is destined for less -developed nations within ASEAN. In part, intra-ASEAN assistance has been formalized as a matter of organizational policy through the Initiative for ASEAN Integration (IAI) and

Narrowing the Development Gap (NDG), which has called upon members to assist less developed countries within the bloc to enhance their economic and political integration (ASEAN: IAI).

Thailand, for instance, is notable within the developing world for its establishment of a specialized agency for administering its official development assistance, which is often delivered in partnership with a more established “traditional” aid donor. Although Thailand provides development assistance in various forms to nations in Africa, Central Asia, and South Asia, the bulk of its funds are targeted at its less developed ASEAN neighbours -- Cambodia, Laos, Myanmar, and Vietnam (collectively called the CLMV countries). Thai official development assistance is justified through a variety of frameworks, including ASEAN’s AEC and Initiative for ASEAN Integration (IAI), and has included programs targeted at infrastructure development, information and communication technology proliferation, human resource cultivation, and strengthening integration through political, economic, and socio-cultural grants (TICA).

Although Thailand’s development assistance is the most institutionalized, other ASEAN states have also begun to function as providers of official development assistance in the recent past. Singapore, the richest ASEAN state in per-capita terms, has committed resources toward the ASEAN IAI program through the establishment of training centres in each of the CLMV countries, through which it has trained tens of thousands of officers in hundreds of courses in economic development, international commerce, English, technology, and more (Kumar 2008: 19, UNOSSC). Malaysia represents a third emerging development partner within ASEAN, and has offered training programs and industrial support through the Malaysian Technical Cooperation Programme (MTCP). The MTCP was launched in 1978, and originally focused exclusively on the development of other ASEAN countries through knowledge sharing. Examples of Malaysian-funded projects have included a Women Development Centre and clinic in Cambodia, and research support to Vietnam for establishing special industrial zones (Kumar 2008: 18).

Indonesia is relatively new to the provision of development assistance, but has recently taken steps to institutionalize and expand its commitments to South-South Cooperation and official development funding. South-South Cooperation has been a matter of official policy for Indonesia since at least the 1955 Asia-Africa Conference in Bandung, but it is only recently that its solidifying status as a Middle Income Country has enabled Jakarta to take a more active stance in promoting development overseas. In 2010, Indonesia established the National Coordination Team on South-South and Triangular Cooperation, which brings together representatives from the Ministries of National Development Planning (BAPPENAS), Foreign Affairs, Finance, and the State Secretariat to improve and expand Indonesia’s foreign assistance programs (NCT). Indonesian ODA typically

falls into three categories, including development, good governance and peace building, and macroeconomic management. Like other countries within the ASEAN bloc, a majority of Indonesian development assistance is channeled to the CLMV states, with Indonesia's non-ASEAN neighbours, Timor-Leste and Papua New Guinea, also featuring prominently on the list of recipients (NCT).

In addition to bilateral development assistance between member countries, ASEAN as an organization has played an important role in attracting partners to facilitate development cooperation with states within the bloc. This is most clear from ASEAN's cooperation with the Japan International Cooperation Agency (JICA). In 2002, Japanese and ASEAN leaders established the JICA-ASEAN Regional Cooperation Meeting (JARCOM) to address issues of underdevelopment in the CLMV countries. JARCOM established a platform for Japan to engage in triangular cooperation in target states through jointly-administered projects with Indonesia, Malaysia, and Thailand. JARCOM primarily served as a matching service linking JICA's extensive resources and expertise to compatible ASEAN partners, and then matching those partnerships to suit the project needs of the CLMV countries, mostly in the form of training courses, expert exchanges, and technical cooperation programs (Task Team on SSC).

As ASEAN's emerging economies matured as donors and established or strengthened their own foreign assistance institutions, JARCOM was eventually disbanded, first being reformed as the Japan-Southeast Asian Meeting for South-South Cooperation in 2009, and then eliminated in 2010 (Ibid.). Despite the demise of the JARCOM forum, the ASEAN Secretariat has continued to engage with JICA for support as a partner in South-South and Triangular Cooperation. Examples of JICA's continued engagement with ASEAN include ongoing sponsorship of triangular cooperation with ASEAN member states, and through a number of sector-based initiatives. Examples include infrastructure projects, such as contributions to the Southern and East-West Economic Corridors connecting Vietnam to Myanmar, investment in ports to form a Maritime ASEAN Economic Corridor, and continued contributions to maritime security and disaster management response funds (JICA 2012).

### **Regional Trade Agreements and Development Cooperation: Theoretical Explanations**

As the brief case studies outlined above indicate, the rise of RTAs has often been accompanied by increases in development cooperation between their members. While some RTAs stand as notable exceptions to this trend (such as CEMAC), the degree to which a trade bloc encourages development cooperation can be explained by the incentive structures created by the more robust regional agreements. A theoretical framework for understanding why some trade blocs have been more

effective than others at promoting development cooperation is outlined below, taking into account both the economic and political incentives which RTAs can provide for official development assistance.

In general, RTAs which have been relatively better at promoting economic integration have put more pressure on member states to integrate in other areas, leading to development assistance from relatively more advanced members to less developed states within the bloc. In this sense, effective RTAs have unfolded consistently with the predictions of neo-functional theory, which anticipates that economic interdependence between nations creates "spillover effects" leading to increased institutional coordination and the strengthening of cooperation in other areas. Noting this, the remainder of this paper examines the proliferation of development cooperation within RTAs through two lenses. Firstly, it considers development cooperation within trade blocs in economic terms, as a means for the donating state to improve its economic prospects by cultivating more capable trade partners. Secondly, it considers intra-RTA South-South Cooperation in terms of the normative-political incentives established by successful trade bloc frameworks.

### **Economic Incentives for Development Assistance**

Regional trade blocs serve as drivers for South-South Cooperation in part because they maximize the potential returns on investment for the providing partner of such activities. As noted previously, countries are most likely to benefit from RTAs which create high levels of intra-regional trade and contribute to the establishment of a regional division of labour. The avenues through which such developments can benefit the donor country are myriad, but can be simplified by unpacking trade relationships into their effects on imports, exports, and the regional division of labour. On the import side of intra-regional trade relationships, countries benefit from partners which have a greater capacity to export raw materials and inputs for value-added industries. On the export side of the equation, countries benefit from partnerships with larger markets for their own traded goods.

While these factors are advantageous in any trade relationship, RTAs maximize the effectiveness of such developments thanks to the demonstrable "neighbourhood bias" of international trade patterns (Chand 2006: 95). Assuming an RTA which effectively eliminates tariff barriers to trade and significantly reduced non-tariff barriers, intra-regional trade is more advantageous than other international exchanges because it is minimally affected by transaction costs imposed by cultural barriers and transportation costs. Because of the lower transaction costs imposed by intra-regional trade, industries are more likely to benefit from labour market specialization, and regional cooperation is likely to pay large dividends.



Within the SADC, South Africa has utilized its position as a local economic giant to fund several regional development projects. One of the most successful examples of economically-driven SSC is the Maputo Development Corridor, comprised of a series of infrastructural developments linking the deep-water powers of Mozambique to South Africa's industrial and agricultural centres (Sidiropoulos 2012: 222). Other road construction and rehabilitation projects have taken place in an array of SADC and SACU states, including Lesotho, Zambia, Botswana, and Namibia (Ibid.: 231-232). South African investment in partners resource sectors has also been significant, including projects in the energy, telecommunications, mining, transport, water, and manufacturing industries of countries within the SADC and SACU (Ibid).

In the ASEAN context, similar projects are beginning to unfold. Although reliable data for many intra-ASEAN SSC activities is presently unavailable, Thailand's International Cooperation Agency for instance, is a major contributor to development activities in the Greater Mekong Subregion. TICA's activities in the region seek to advance five key goals, most of which ultimately benefit the Thai economy in the context of strong intra-regional trade patterns created by the ASEAN Economic Community: strengthening infrastructural linkages, facilitating cross - border investments, attracting private sector participation in development, developing human resources and skill competencies, and promoting sustainable use of shared natural resources (TICA: Program m e and Projects).

### **Political Incentivs for development Assistance**

In addition to the economic benefits derived from intra-regional cooperation, many RTAs have also shaped the political-normative policy contexts of their constituent countries, and their role in socializing national leaders has been instrumental to the proliferation of intra-South development cooperation. This dynamic has been most clearly observed in the recent experience of the European Union, which has evolved significantly from its roots in the European Coal and Steel Community. On the European continent, progressively expansive economic cooperation has gradually led to the foundation of numerous institutions which influence the policies of member states. Further, the increasingly interconnected relationships between European countries in politics, business, education, associational life, and soon, have given rise to multiple "social fields" that have acculturated many EU citizens and leaders alike to identify and behave as Europeans rather than European nationals (Fligstein 2008).

To be sure, there is no regional institution within the global south that has been nearly as successful in socializing citizens and leaders of its constituent states. However, many RTAs have grown influential in the policy decisions of national leaders, and have evolved into forums for promoting regional cooperation.

ASEAN has been relatively successful in building a coherent regional identity amongst members' heads of state, and has encouraged member countries to coordinate politically and, where relevant, to direct development resources in their incipient South-South Cooperation programs to less -developed members in their blocs. As previously mentioned, ASEAN has served as a forum for members to jointly negotiate policies with external powers, including free trade agreements and political-security consultations (ASEAN: External Relations). In terms of the impact this body has had on development, ASEAN's partnership programs with JICA have served as a way to multilaterally match trilateral partners with members in need, particularly the CLMV states. Within ASEAN itself, these countries have been top recipients of technical and development assistance from Indonesia, Malaysia, Thailand, and Singapore.

Interviews with members of Indonesia's National Coordination Team on South-South and Triangular Cooperation have confirmed that this distribution is no accident. Indonesia utilizes a demand-driven model for providing development assistance, which means that Jakarta does not extend assistance unless it has a clear mandate to do so from the recipient country. Not all requests can be met, however, which has led the Government of Indonesia to prioritize countries according to its economic, political, and socio-cultural interests. Although some countries outside of ASEAN (notably Palestine, the MSG states, and Timor-Leste) have been top beneficiaries of Indonesian SSC, Cambodia, Laos, Myanmar, and Vietnam have collectively accounted for a majority of outbound Indonesian development funds, in some respects due to a sense of "social responsibility" on the part of Indonesia's foreign policy establishment (NCT). In addition, Thailand's International Cooperation Agency (TICA) has explicitly utilized ASEAN as a framework for ODA disbursement (TICA).

## **Conclusion**

As the global economy continues to change, the influence of emerging donors of official development assistance will grow, most often under the banner of South-South Cooperation. As this paper has argued, much of this cooperation has taken place in the context of regional trade organization frameworks, which drive cooperation through the economic and political incentives they create for their members. On the one hand, it can be argued that this is a natural overlap, as accession to an RTA is an expression of interest in the countries involved. On the other hand, the relative absence of SSC activity in many trade blocs renders it clear that a number of intervening variables shape the extent to which intra-RTA development assistance occurs. Central amongst these variables is the extent to which partners vary in their level of economic development, and the extent to which the RTA in question has successfully promoted integration through intra-

regional trade and political coordination. As outlined above, trading blocs provide incentives for development cooperation that assists export and import activities, and the strengthening of a regional division of labour. Strong RTAs also socialize leaders into a “community of nations,” which has demonstrably contributed to the tendency for more advanced partners to assist in capacity building activities in their poorer neighbours.

The extent to which this is true, however, depends largely on the success of the RTA in question in fostering regional integration and strengthened the economic and political relationships between member countries. RTAs such as CEMAC, which are made up of generally less developed economies, have low levels of intra-regional trade, and have not exploited potential industrial complementarities to create a robust regional division of labour have not fostered conditions conducive to meaningful development cooperation amongst member states. ASEAN, in contrast, has generally achieved all of these indicators of RTA success, which has been accompanied by expanded programs of development assistance flowing from more to less advanced members.

## REFERENCES

- Abramovitz, Moses. 1986. “Catching Up, Forging Ahead, and Falling Behind.” *Journal of Economic History*. 46: 386-406.
- African Renaissance and International Cooperation Fund (ARF). 2014. “2013-2014 Annual Report of the African Renaissance and International Cooperation Fund.” Web. 28 Feb 2015.
- ASEAN. “Initiative for ASEAN Integration (IAI) and Narrowing the Development Gap (NDG).” Web. 28 April 2015. ASEAN. “External Relations.” Web. 28 April 2015.
- ASEAN and The World Bank. 2013. *ASEAN Integration Monitoring Report: A Joint Report by the ASEAN Secretariat and the World Bank*. Jakarta: ASEAN.
- Chand, Ramesh. 2006. *Free Trade Area in Asia*. Academic Foundation.
- Chibber, Vivek. 2003. *Locked in Place: State-Building and Late Industrialization in India*. Princeton, N.J.: Princeton University Press.
- The Economist. 10 Nov 2012. “The World in 2016: The OECD’s Forecasts.” *The Economist*. Web. 09 May 2015. The European Commission. “Regional Aid.” Web. 26 April 2015.
- Fligstein, Neil. 2008. *Euroclash: The EU, European Identity, and the Future of Europe*. Oxford: Oxford University Press.
- Japan International Cooperation Agency (JICA). 2012. “JICA’s Regional Cooperation in ASEAN.” Tokyo: JICA. Kumar, Nagesh. 2008. “South-South and Triangular Cooperation in Asia-Pacific: Towards a New

- Paradigm in Development Cooperation." New Delhi: Research and Information Systems for Developing Countries (RIS)
- Lavrov, Sergey. 2010. "Statement by H. E. Mr. Sergey Lavrov Minister of Foreign Affairs of the Russian Federation at the High-level Plenary Meeting of the 65<sup>th</sup> session of the UN General Assembly on the Millennium Development Goals , New York, 21 September, 2010." Moscow: The Ministry of Foreign Affairs of the Russian Federation. Web. 12 MAY 2015.
- Malaysian Technical Cooperation Programme (MTCP). "Malaysian Technical Cooperation Programme." Web. 05 May 2015.
- Mawdsley, Emma. 2012. *From Recipients to Donors: Emerging Powers and the Changing Development Landscape*. London: Zed Books.
- National Coordination Team on South-South and Triangular Cooperation of Indonesia (NCT). Web. 15 April 2015.
- Oliva, Maria-Angels . 2008. *Trade Restrictiveness in the CEMAC Region: The Case of Congo*. Washington: International Monetary Fund.
- Organization for Economic Cooperation and Development (OECD). 2013. *Perspectives on Global Development 2013: Industrial Policies in a Changing World*. Paris: OECD.
- Pasha L. Hsieh. "Does Free Trade Matter for Poverty Reduction? The Case of ASEAN" *Poverty and the International Economic Legal System: Duties to the World's Poor*. Singapore: Cambridge University Press, 2013.
- Prebisch, R., 1950. *The Economic Development of Latin America and Its Principal Problems*, United Nations, New York.
- Sidiropoulos, Elizabeth. 2012. "South Africa: Development, International Cooperation, and Soft Power." In *Development Cooperation and Emerging Powers* (pp. 216-242). Ed, S Chaturvedi, T Fues, and E Sidiropoulos. 2012. London: Zed Books.
- Singer, H.W, 1950. "US Foreign Investment in Underdeveloped Areas: The Distribution of Gains between Investing and Borrowing Countries." *American Economic Review Papers and Proceedings* 40(2), 473-485.
- Task Team on South-South Cooperation (TT-SSC). "JARCOM Case Study." 2011. Paris: TT-SSTC.
- Techakanont, Kriengkrai. 2012. "New Division of Labour Between Thailand and CLMV Countries: The case of the Automotive Parts Industry." In *Industrial Readjustment in the Mekong River Basin Countries: Toward the AEC*. Ed. Y Ueki and T Bhong Kapat, BRC Research Report No. 7. Bangkok: Bangkok Research Centre, IDE-JETRO.
- Thailand International Cooperation Agency (TICA). "Cooperation Frameworks." Web. 18 April 2015.

- United Nations Office for South-South Cooperation (UNOSSC). "Singapore." UNOSSC: National Directors –General Space. Web. 17 May 2015.
- United States International Trade Commission (USITC). 2010. *ASEAN: Regional Trends in Economic Integration, Export Competitiveness, and Inbound Investment for Selected Industries*. Washington: USITC.
- World Bank. 2003. "The New Southern African Customs Union Agreement." Africa Region Working Paper Series No. 57. Washington: The World Bank.
- World Bank. 2013a. "ASEAN Integration Monitoring Report." Web. 30 April 2015.
- World Bank. 2013b. "Central Africa: CEMAC - Economic and Monetary Community of Central Africa." Web. 30 April 2015.
- Yadav, Surya and Prakash Khatri. 2010. *Regional Trade Integration and South-South Cooperation*. New Delhi: Jnanada Prakashan.



# DIPLOMATIC GOVERNANCE INITIATIVES ON FORMULATING AND ARTICULATING INDONESIAN FOREIGN POLICY

Ratih Herningtyas, Surwandono, Tulus Warsito  
Universitas Muhammadiyah Yogyakarta

## ABSTRACT

*This paper tries to discuss diplomatic governance study on Indonesian decision-making and implementing foreign policy. Diplomatic governance is a concept that is adopted from democratic study on how to manage transparent and accountable policy decision-making. The discourse on diplomatic governance is expected to improve effectively and efficiency of Indonesian foreign policy in achieving its national interests.*

*Foreign policy that will be the focus of this paper is Indonesian foreign policy of administrative-based economy. In the last 10 years, this policy have been faced serious contraction problems such as corruption, lack of protection of Indonesian citizen abroad and crisis on law-politics issues such as dispute resolution in International Court of Justice in the case of Sipadan and Ligitan Islands.*

*This paper considers that the lacks of effective and efficient of Indonesian foreign policy in articulating Indonesia's national interests in international fora are closely related to the low governance negotiation discourse in the formulation and implementation of Indonesia's foreign policy.*

**Keywords:** *Diplomacy practise, Foreign Policy Decision making, Diplomatic Governance*

## Introduction

Ministry of Foreign Affairs of Republic of Indonesia has a main role in initiating strategies and formulating Indonesian foreign policy. Indonesia possesses a platform of free and active foreign policy platform, a strategic platform which brings Indonesia as an essential pillar in regional and international forums. The platform has been implemented by Ministry of Foreign Affairs of Indonesia for 65 years passing various dynamics and issues.

Supporting effectiveness of foreign policy implementation, Ministry of Foreign Affairs has 119 overseas offices, 3,700 staffs that 900 staffs act as diplomatic staffs.<sup>1</sup> The number of staffs is considered as adequately greater than the

---

<sup>1</sup> Stated by Teuku Faizasyah to Anantara news in a news column entitled *Reformasi Tanpa Renumeraasi Deplu Tersandung Kasus Korupsi*, Monday, 1 March 2010. Retrieved from <http://infokorupsi.com/id/korupsi.php?ac=5252&1=reformasi-tanpa-renumerasi-deplu-tersandung-kasus-korupsi>.

number of diplomatic staffs of the other Southeast Countries. Additionally, Indonesia provides extensive space for Commission I of House of Representatives, focusing on foreign interest, to assist and evaluate foreign policy made by Foreign Affairs Ministry.

In 2008, Indonesian Ministry of Foreign Affairs achieved ISO 9001, an award representing that Indonesia Foreign Department reformed quality management as the commitment to bureaucracy reform. Attaining the ISO, it is expected that roles, duties, principles, and function of foreign department on articulating national interests through formulating and implementing foreign policy would be effective.

Nevertheless, the prestigious predicate does not guarantee the performance quality of this department, noticing a number of weakness as dispute resolution of Sipadan and Ligitan Islands, many Indonesian labors upstaged inhumanly in several countries like Saudi Arabia, Malaysia, Kuwait, Japan, China, as well as the lateness of evacuation process of Indonesian people in several conflicted countries. Another example is that Indonesian government was unable to renegotiate various foreign investment contracts and security as well as sovereign intervention of other countries.

On the other hand, there are some practices to appreciate. Based on analysts' perspectives, Indonesian diplomatic capacity undertaken by President Susilo Bambang Yudhoyono tended to display graphic lifting. Bantarto Bandoro noted the achievement of President SBY in various international forums as cases of Climate Changes, ASEAN democratization, and active involvement in peace issues in Middle East that Indonesiannotions were acceded in international public.<sup>2</sup>

## Literature Review

In International Relation Dictionary, foreign policy refers to planned strategies formulated by decision makers of a state to another state or certain international agency to achieve specific goals regarding national interests.<sup>3</sup> Foreign policy is considered as a representative of national political power of a state. Besides, diplomacy emerges as relation activities among countries carried out by an actor, namely a diplomat, through a diplomatic dictum. Therefore, it is necessary the existence of an agency to arrange agendas and strategic plans for a state.

International Relations researchers have been interested in a study of diplomatic roles and interconnections with foreign policy. Generally, the Oxford Dictionary defines that diplomacy refers to management of international relations by negotiation. Diplomacy is a diplomatic instrument to diminish inclination of states to have conflict and war by considering the huge damages due to the previous

---

<sup>2</sup> See in Bantarto Bandoro, "Raihan Besar Diplomasi Indonesia", *Indo Pos*, December 4, 2008.

<sup>3</sup> Jack C. Plano and Roy Olton, in *the International Relations Dictionary* (New York: Holt, Rinehart andWinston, 2008), p. 127.



world wars. However, diplomatic concepts, diplomacy, and relations with national interests of a state turn controversy among International Relations scholars.

In classical realism perspectives, Hans Morgenthau conveyed that diplomatic approaches would be employed by the ones who are against or afraid of power. The belief bears a classical proverb "*diplomacy without power is like music without instruments.*" Thus, Morgenthau was a skeptic of the diplomacy concepts and diplomacy in its roles to reduce the use of physical power or coercion to attain national interest of a state.

Several fundamental views of classical realism on diplomatic roles of a state are written as follows:<sup>4</sup>

1. The attendance of a state is represented by statesmen to settle in another state. They have to control, monitor, and be responsible for the state responses to answer the international political changes (Morgenthau, 2008: 118)
2. Statesmen obligate to express their voice in diplomacy, determine aims of state involvement in convention or treaty, select and regulate how to achieve the aims, maintain, elevate, and demonstrate the state power.
3. For realists, it is appropriate for showing exclusive impression to diplomats or statesmen since they possess strengths as autonomous behavior, namely special treatment that somebody likely makes decision on behalf of a state.
4. Regarding foreign policy, a state is more prioritizing public and domestic economy. Hence, foreign policy points at fostering domestic material resource and political support. Foreign national power achievement hinges on abilities of state officials in constructing public opinions and education foreign policy to public.

Based on the classic realist perspectives, diplomats or foreign affairs officials ought to be able to share information of facts of a negotiation or foreign policy to Indonesian people in and outside Indonesia. It is expected to encourage transparency of policy so that foreign policy gets permission from public. Moreover, Indonesia is now encountering democracy. The people are accustomed to something transparent and accountable. According to Marijke Breuning (2007), accountability of the foreign policy context refers to notions that decision makers are unable to undertake but should be responsible for their decision and action, and should elucidate the rationalization to public they lead.

Roles of Ministry of Foreign Affairs have been discussed by G.R. Bridge (2008). Bridge attempted to explain history and significance of the existence of state agency, MFA, having proliferated. Ministry of Foreign Affairs has been established since 17<sup>th</sup> century, particularly in Europe, to take roles of diplomatic

---

<sup>4</sup> See Michael Mastanduno, David A. Lake and G. John Ikenberry in *Toward a Realist Theory of State Action*, *International Studies Quarterly*, 2008. p. 460-461.

interests, from diplomacy to formulation and execution of foreign policy. Bridge noted that the proliferation of diplomats in European classical era was due to the understanding of diplomatic activity urgency. At the beginning of diplomatic term and roles, there were number of diplomatic activities terminating inconsistently. It emerged various violations and inappropriateness done by statesmen. Thus, the issue triggered a notion to constitute diplomatic roles of a state by improving data management, procedure, protocol, secretarial work, and responsibility sharing. In fact, the reason underlying the establishment of Ministry of Foreign Affairs is to conduct recruitment, clarify, send, defray, and maintain regular and safe communication with foreign diplomatic representatives.

A study of William D. Coplin was very fruitful to categorize foreign policy in three main categories.<sup>5</sup> **First**, it is a general decision. It refers to the basis of foreign policy so that it would become blue-print of each process of decision making. To reinforce the decision platform, the process should be carried out deeply and should engage in many parties. The foreign actor is high-level executive as president, prime minister, or officials who have equal position to pope in Vatican. Therefore, in diplomatic session, there is summit diplomacy meaning a form of negotiation by a leader of state and government to cope with cases regarding international life. In the context, the executive is required to gather accurate data so that the decision would not bring adverse impacts on himself as a national political actor and his country as international relations actor.

**Second**, it is an administrative decision. The administrative decision, according to D. Coplin, refers to an operational decision undertaken daily by a state as an international actor. Thus, the administrative decision has greater technical dimension than philosophical dimension. Nevertheless, it does not mean that the administrative could be performed simply. Instead, it would display whether or not a general decision of a state is effective. Hence, the administrative decision possesses a role to criticize the general decision.

Related to an ongoing process of a state, there would be a standard of operating procedure to implement the general policy to be administrative policy. For instance, duties and authorities of diplomats and officials have had the outlines. They may not make decision out of the determined frame. If they would make decision out of the frame based on consideration of effectiveness, they ought to consult with their higher structural parties.

**Third**, it is a crisis decision. Based on D. Coplin, the crisis decision was indicated by several characters:

- a. Limited available data
- b. Limited available time

---

<sup>5</sup> See William D. Coplin, *Politik Internasional: Perumusan Kebijakan Luar Negeri*, (translation), Jakarta, Ghalia Ilmu, 2010

- c. Threatened state interests
- d. Short-term dimension in certain boundary

In the characters, it could be noticed that a foreign decision maker ought to respond international phenomena soon without involving many people, even without using available data (since the data is unavailable or there is no time to employ the data). In the circumstance, based on perspective theory, an actor would tend to use his experience in confronting similar phenomena (trigger-event). Foreign policy in crisis dimension is reflected in foreign decision-making dealing with war on another state or certain groups considered disrupting national security of a state.

A critical study of policy-making and foreign policy practice has been examined by international relations researchers. The critical group was inclined to employ instrumental approach to reveal deviation of foreign policy-making. The approach assumes that there are broad spaces for elites in the process of decision-making to insert their own interests and the group's.<sup>6</sup>

International relations researchers have evolved theory of actor instrumentation in decision-making and diplomatic practice. First, a study of rational choice theory and rational actor's model in instrumentalist's perspectives has been fostered by Michel Hechter (1996; 1986)<sup>7</sup> and Michael Banton (1994; 1996).<sup>8</sup> According to Hetcher, the involvement of somebody in a conflict or negotiation is as an actor's instrument to articulate individual interests in gaining wealth, prestige, and power. In the context of an elite study of Bachton, dynamics of conflict and negotiation are determined by preference of elites' interests in utilizing the conflict and negotiation to construct legitimation. Banton's findings reinforced Hetcher's study that conflict and negotiation are mostly manipulated by actors to articulate their interests instead of public interests.<sup>9</sup>

In the context of diplomatic regime construction choice, political position of a diplomatic actor would affect the diplomatic actors' choice on diplomatic regime construction. A diplomatic actor should have tough legitimation basis since

---

<sup>6</sup> See Surwandono, *Instrumetasi Pilihan Kebijakan Pemerintah Filipina dan Nur Misuari Dalam Regim Negosiasi Final Peace Agreement 1996*, Research document PHK A3 International Relations Department UMY, 2010.

<sup>7</sup> Michael Hechter, "Ethnicity and Rational Choice Theory", in John Hutchinson and Anthony Smith (eds.), UK: Oxford University Press and Michael Hechter, (1986) 'A rational choice approach to race and ethnic relations', in D. Mason and J. Rex (eds.) *Theories of Race and Ethnic Relations*, Cambridge: Cambridge University Press. For more detail see Surwandono, *Kegagalan Regim Negosiasi Final Peace Agreement 1996 Dalam penyelesaian Konflik Mindanaoun*, published Thesis FISIPOL UGM, 2011.

<sup>8</sup> Michael Banton, (1994) 'Modeling ethnic and national relations,' *Ethnic and Racial Studies*, 17 (1) and Michael Banton (1996) 'The Actor's Model of Ethnic Relations', in John Hutchinson and Anthony Smith (eds), *Ethnicity (Oxford Reader)*, UK: Oxford University Press. For more discussion see Surwandono, *ibid.*

<sup>9</sup> Michael Banton, *ibid.*

diplomatic instruments would strengthen and broaden the actor's diplomacy. Therefore, diplomatic regime construction-based Getting it Done in rational choice theory is a more rational choice for the actor possessing a strong basis of legitimation. On contrast, a diplomatic actor having a weak legitimation should undertake diplomatic instrument to maintain and reinforce the actor's legitimation in public. Thus, diplomatic regime construction-based Getting to Yes in rational choice theory is more rational for the actor who overcomes legitimation issues.

Diplomatic instrumentation in certain boundary assumes that a diplomatic actor is more exclusive than other diplomatic stakeholders. In the exclusive diplomatic structure, diplomatic instrumentation possesses several significant implications. **First**, a diplomatic actor has a great occasion to manipulate negotiated political positions to his and his group's interests. The target of political interest manipulation is pointed to the diplomatic opponents or constituents of the actor.

**Second**, the manipulation process drives rhythm of diplomatic institution go to positional diplomacy that diplomatic actors prefer articulating required political positions in diplomacy than articulating to moderate conflict resolution. The diplomatic actor undertakes it in order that his political position after the diplomacy could be maintained or even promoted in social and political relations.

**Third**, the diplomatic instrumentation of the diplomatic actor tends to conduct political alienation of public participation in the diplomatic process. The diplomatic actor argues that public participation in positional diplomacy would hamper agreement of diplomatic process due to more accommodated interests. The diplomatic actor also contends that public participation would diminish the result of political interests, prosperity, and power of the diplomatic actor, both quantitatively and qualitatively.

Diplomatic instrumentation might disregard diplomatic principles of conflict resolution. John Darcy stated that negotiation actors ought to set out the following principles:

(1) the protagonists must be willing to negotiate in good faith; (2) the key actors must be included in the process; (3) the negotiations must address the central issues in the dispute; (4) force must not be used to achieve objectives; and (5) negotiators must be committed to a sustained process.<sup>10</sup>

According to John Darby, actors' diplomatic instrumentation would bring two huge problems in diplomacy, namely actor reduction and problem reduction. Actor reduction causes that the interest of actors, who do not engage in the diplomacy, could be articulated well so that it would emerge issues in ratification level, rule-making, implementation, and monitoring. Problem reduction would affect discussion displacement of diplomatic, from substantive issues to artificial issues.

---

<sup>10</sup> John Darby, *The Effects of Violence on Peace Processes*. Washington, DC: United States Institute of Peace, 2001, p. 11.

The diplomatic discussion, which would then focus on artificial issues, would cause that the diplomatic yield is not sufficient to resolve issues.

This research would attempt to provide new understanding of diplomatic instrumentation of diplomatic actors. A thesis of diplomatic instrumentation by Rizal Buendia tried to formulate rational actor model of Michael Hetcher and Banton to arrange diplomatic settings as actor media to articulate individual interests in gaining wealth, prestige, and power which effect on difficulty level confronted by the actor in diplomatic process. The difficulty emerges since the diplomatic actor manipulates political position for his or his group's interest. The manipulation process enacts rhythm of diplomatic institution go to positional diplomacy that diplomatic actors prefer articulating required political positions in diplomatic than articulating to moderate conflict resolution. The diplomatic actor undertakes it in order that his political position after the diplomacy could be maintained or even promoted in social and political relations. The diplomatic instrumentation of the diplomatic actor tends to conduct political alienation of public participation in the diplomatic process. The diplomatic actor argues that public participation in positional diplomacy would hamper agreement of diplomatic process due to more accommodated interests. The diplomatic actor also contends that public participation would diminish the result of political interests, prosperity, and power of the diplomatic actor, both quantitatively and qualitatively. The diplomatic instrumentation might ignore diplomatic principles.

The researchers evolved new understanding that diplomatic instrumentation in certain boundary is a creative way to make innovation in politics and economy and to encounter conflicts in center and areas of separatism. Nevertheless, diplomatic instrumentation choice and level should be equal to powerful political legitimation.

Diplomatic actors having powerful legitimation possess influential authority to carry out diplomatic instrumentation through activities breaking down the issues till the basic issues to formulate policies and to create new construction of conflict resolution. The instrumentation having powerful legitimation tends to be more accountable and manageable so that the diplomatic instrumentation most likely could resolve the conflicts.

Diplomatic actors having low legitimation tend to conduct unaccountable diplomatic instrumentation and often break their authority borders. The diplomatic actors consider how the diplomacy could run and utilize it to foster their legitimation in public. The choice of unaccountable diplomacy would bring broad impacts on diplomatic regime construction or diplomatic regime implementation. On the other hand, the diplomatic instrument process of low political legitimation actors might become unaccountable and manageable or it might turn into a medium of resolving conflicts of actors, rather resolving conflicts of public.

## Definition of Diplomatic Governance

Diplomatic governance is a novel concept which only a few has inserted it in diplomatic literatures. The concept was revealed by the researchers' dissertation at Political Studies of UGM in 2011 entitled "*Kegagalan Regim Negosiasi Final Peace Agreement 1996 Sebagai Formula Penyelesaian Konflik Mindanao*" (Negotiation Regime Failure of Final Peace Agreement 1996 as Conflict Resolution of Mindanao).

In classical International Relations, diplomacy possesses exclusive, complicated, and top secret spaces. Diplomacy is extravagant political activities which only actors having remarkable capability could carry out so that they represent a country's interests broadly. The exclusive negotiation is designed conservatively so that public has less curiosity and attendance of diplomatic activities. Diplomatic practice effectiveness of national interests is not determined by the diplomats' performance instead of public involvement in formulating or implementing diplomacy.

The circumstance enables to emerge oligarchy phenomena in formulating foreign policy as mentioned in a study of democracy. Oligarchy in foreign decision-making of open global system would be a harmful result of national interests. Complicated issues necessitate public participation in providing recommendation and support so that the decision of Ministry of Foreign Affairs represents public choice.

Classical proverb stated that diplomats are required to lie to attain more irrelevant national interests. Information system has been widely opened, and rapid accessibility would affect that people would prefer lying or hiding facts and it makes the conflict get worse. Courage of appreciating information and then forming it to be more productive is much better than limiting the information.

In this context, diplomatic governance has significant roles. **First**, it provides an alternative of accountable foreign policy formulation to gain national interests. Foreign policy has tend to be exclusive that public has less participation in the policy formulation. Public only obtain various socializations of policy. Therefore, this research aims at providing strategic formulation in accountable achievement of implementing diplomatic governance. The implementation would reinforce the precision of decision-making which expected to elevate productivity of policy in resolving various national issues.<sup>11</sup>

Making more accountable foreign policy would give great occasion for public to undertake fit and proper toward policies of Ministry of Foreign Affairs. The public participation is not merely dealing with receiving socialization of policies, which would be implemented or have been implemented. The socialization is often claimed as public diplomacy by Ministry of Foreign Affairs. The choice of returning the perspectives of elites and civil society toward the public diplomacy notion, in

---

<sup>11</sup> Mulyadi M. Phillian, "Diplomasi Yang Sesungguhnya", *Sinar Harapan*, June 20, 2005.

fact, would make Ministry of Foreign Affairs a democratic department, and it would not be blamed if defaults exist on the implementation of decision-making.

In sensitive context entailing solidarity mobility as an Indonesia diplomatic case to negotiate principles of colonialism and racialism, public participation became new ammunition for Ministry of Foreign Affairs. Nevertheless, the department has not optimized yet roles of civil organization to strengthen Indonesian diplomacy in international forum. Indonesian diplomacy in solidarity issue has been mostly succeeded, yet reinforcing diplomatic governance through public participation would enhance the achievement of Indonesia in implementing UUD 1945.

**Second**, diplomatic governance provides alternative of formulating transparent foreign policy to diminish various possibility of deviation which could bother the achievement of national interest. It is in line with more challenges encountered by Indonesian government to articulate the achievement national interests getting more competitive in international forum. In classical diplomatic era, transparency implies one of the avoided diplomatic values that the more we could close other accessibilities to us, the greater we could negotiate our interest. Hence, it might be true that a diplomat is required to lie since the diplomacy is art of lying, indeed.

Diplomatic governance puts tradition of transparency as a strategic value to conceptualize and actualize better national interests. The transparency enables Ministry of Foreign Affairs to gain broader, faster, and more efficient information. On the other hand, the policy choice might be more opened affecting difficulties in formulating the best policy. Diplomatic strength is diplomatic capability to gather a lot of information because the broader information we have, the more we could win over others efficiently. Diplomatic achievement is not represented to the extent which we could cover our weaknesses, it is presented to the extent that we have information as well as productive contribution and zero in on our targets and others. It is not necessary to hide our weaknesses since they would be covered by our strengths.

In Indonesian blue-collar workers (TKI), actualization of Indonesian foreign policy to save its citizens is not effective. Ministry of Foreign Affairs tends to conceal facts and would clarify after media share the issues to public. The increasing of migrant workers' issues could boomerang Indonesian foreign policy. Moratorium of sending TKI is contended as reactionary policy which is not productive for national interests of Indonesia. Many workers are disappointed at the policy because it is considered to hamper workers to obtain sufficient earning.

In an issue of complicated passport and visa-making, going abroad or coming to Indonesia is hampered. A little information transparency causes illegal tariff or scalpers in administration services. A lot of higher education complains visa making policy for foreign students since it could reduce the interest of foreigners to study at

universities in Indonesia. Diplomatic governance enables administrative foreign policy making process could be measurable and objective so that traffic in goods, services, and people in Indonesia turns more efficient.

Diplomatic transparency delimitates spaces to do financial or authority corruption. There recent three years, Ministry of Foreign Affairs has confronted stigma regarding corruption of goods, services, or authority in several embassies. An analysis of Hikmawanto Juwono in his article entitled "*Diplomasi Indonesia Belum bertaji*" in Kompas Newspaper on October 8, 2005, displayed that practices of Indonesia diplomacy are corruptive and high-cost, yet it was not in line with the achievement.<sup>12</sup> Diplomatic governance would assist Ministry of Foreign Affairs more clean and productive department.

**Third**, diplomatic governance provides an alternative of formulating foreign policy upholding values of fairness to reduce possibilities of elite transactional foreign policy which harms national interests of Indonesia. As the researchers' study of a conflict in Mindanao, the most enormous failure in regime of Final Peace Agreement 1996 was lack of fairness in negotiation process. A willingness to capitalize negotiation as a main medium to attain authority turned into the positional negotiation, and ultimately it was for coping with issues of elites or negotiating actors instead of the main issue.

A classical proverb mentioned that our achievement in diplomacy is how we could manipulate our interest toward others. The better we undertake manipulation politics of interests, the grater diplomatic achievement we gain. The proverb is apparently irrelevant. In extremely great diplomatic interaction among countries, we do not conduct diplomacy in a diplomatic session. Intensive diplomatic frequency drives diplomatic choice demand manipulative polite logical reasoning which is not productive, indeed.

Foreign policy of Indonesia in articulating issues of territories should be established based on adequate documents. A case resolution of Sipadan and Ligitan through international arbitration necessitating argumentation based on objective document turned into a valuable experience that negotiation in manipulative argumentation is contra- productive. So did a diplomatic issue of climate change. Geographically, Indonesia is located in tropical and strategic area to take roles in diplomacy. Indonesia achieved carbon credit by carbon-producing countries for reforestation in Indonesia. The fund was supposed to be utilized objectively to public, rather than ended for political campaigns in media and seminar. Indonesian government honesty to allocate the reforestation fund in proper sectors would lift public trust to Indonesian diplomatic activities. Capability of Indonesia in assigning the carbon credit fund to appropriate places would elevate the name of Indonesia as a responsible country.

---

<sup>12</sup> See Hikmawanto Juwono, "*Diplomasi Indonesia Belum Bertaji*", *Kompas* October 5, 2005.



## Conclusion

To sum up, there are three main conclusions. First, Ministry of Foreign Affairs of Indonesia has possessed political will to be a well-managed organization. It has proven by the achievement of ISO 2008. Second, diplomacy of Indonesia has displayed fluctuating phenomena these recent 10 years. It shows an achievement, yet also addresses recession and corruption. It could be resolved if Ministry of Foreign Affairs embarks adopting the notion of diplomatic governance, a process of diplomatic management upholding values of accountability, transparency, and fairness. Third, Formulation and Implementation of Indonesian foreign policy employing a paradigm of diplomatic governance would elevate capacity and productivity of Indonesia foreign policy based on Free and Active Principles.

## REFERENCES

- Bandoro, Bantarto, "Raihan Besar Diplomasi Indonesia", *Indo Pos*, December 4, 2008.
- Banton, Michael 'Modeling Ethnic and National Relations,' *Ethnic and Racial Studies*, Vol. 17, 2004.
- Coplin, William D., *Politik Internasional: Perumusan Kebijakan Luar Negeri*, (terjemahan), Jakarta, Ghalia Ilmu, 2010.
- Darby, John, *The Effects of Violence on Peace Processes*. Washington, DC: United States Institute of Peace, 2001.
- Hechter, Michael, 'A Rational Choice Approach to Race and Ethnic Relations', in D. Mason and J. Rex (eds) *Theories of Race and Ethnic Relations*, Cambridge: Cambridge University Press.
- , Michael, "Ethnicity and Rational Choice Theory", in John Hutchinson and Anthony Smith (eds), UK: Oxford University Press and Michael Hechter, (1986).
- Leifer, Michael, *Politik Luar Negeri Indonesia*, Jakarta, Gramedia, 2005.
- Juwono, Hikmawanto, "Diplomasi Indonesia Belum Bertaji", *Kompas* October 5, 2005
- Mastanduno, Michael, David A.Lake and G. John Ikenberry, "Toward a Realist Theory of State Action", *International Studies Quarterly*, 2008.
- Michael Banton 'The Actor's Model of Ethnic Relations', in John Hutchinson and Anthony Smith (eds), *Ethnicity (Oxford Reader)*, UK: Oxford University Press, 2006.
- Mulyadi, M. Phillian, "Diplomasi yang Sesungguhnya", *Sinar Harapan*, June 20, 2005.
- Plano, Jack C. and Roy Olton, *The International Relations Dictionary*, New York: Holt, Rinehart and Winston, 2008.

Surwandono, *Instrumetasi Pilihan Kebijakan Pemerintah Filipina dan Nur Misuari dalam Regim Negosiasi Final Peace Agreement 1996*, Naskah Riset PHK A3 Jurusan HI UMY, 2010.

-----, *Kegagalan Regim Negosiasi Final Peace Agreement 1996 dalam Penyelesaian Konflik Mindanao*, unpublished Disertation, FISIPOL UGM, 2011.

<http://infokorupsi.com/id/korupsi.php?ac=5252&1=reformasi-tanpa-renumerasi-deplu-tersandung-kasus-korupsi>.

# UTILIZING ASEAN COOPERATION ON ENVIRONMENTALLY SUSTAINABLE CITY AS A TOOL TO ACHIEVE AN INTEGRATED SUSTAINABLE REGION

By: Ario Bimo Utomo

## ABSTRACT

*This paper analyzes how paradiplomacy (sub-national diplomacy) can serve as a means toward a more environmentally sustainable integrated region. In this case, the author examines the ASEAN Cooperation on Environmentally Sustainable City as a proper example, in which the like-minded ASEAN cities act as the prominent actors. ASEAN Cooperation on Environmentally Sustainable City is one of the nine areas of cooperation within the ASEAN Cooperation on Environment, which is also under the Socio-Cultural Pillar of The ASEAN Community Blueprint. The cooperation itself is intended to tackle urban problems in creating a sustainable living quality, such as transportation, water management, sanitation, and waste management. This paper focuses on three questions: first is what are the strategies and instruments of the region in conducting this paradiplomatic activity, including how the share of power is given to the respective actors; second is to what extent does the ASEAN Cooperation on Environmentally Sustainable City can overcome the urban problems in ASEAN since its advent; and lastly, what are the success and the limitation of this cooperation to run in a long term. The author concludes that the environmental paradiplomacy is an important tool in integrating an environmentally sustainable Southeast Asian region, keeping into mind that urban problems are getting more complex to be overcome through a state-centric mechanism.*

## Introduction

Globalization has made several shifts in the way we examine the international realm. According to Giddens (2011: 8), there are three directions of globalization: upward, downward, and sideward. By going upward, globalization serves as a force which diminishes the old conception of national borders, toward a more cosmopolitan and liberal world. At the same time, globalization also pushes downward, creating a force that encourages local entities to rethink their existence after the diminishing of the traditional nation-state concept. This concept can accurately describe why local entities start to emerge in the more globalized world, hence creating a new term, “glocalization” or the globalizing of local actors. However, Giddens also stated that globalization also pushes sideward. It creates economic zones and cooperation conducted by local entities in a transnational way.

One of the consequences of the sideward force of globalization is the emergence of the paradiplomacy idea. Michael Keating (1999: 1) argued that the reasons lie both in the changes at the level of the state and the international system, and in political and economic developments within regions themselves. The forces of globalization have created transnational regimes and regional trading areas. At the same time, the advent of multinational corporations, with their strong influences, are making states even more difficult to be the sole dominant actor in the international realm. Daniel Bell (1989: 55), conceptualized that currently, the state has been too big for societal and individual problems; but is also too small to manage global problems. Other contemporary scholars like Keohane and Nye had also argued on 1970's that transnational relations will possibly erode the traditional conception of nation-states. This causes eroding of the distinction between local and national authorities in conducting foreign affairs. As the result, states are obliged to redefine their distribution of authority with their respective local units, such as cities.

Paradiplomacy is a relatively new concept in International Relations. The term was coined by Panayotis Soldatos, a Spanish social scientist of Basque descent, referring to the activities of local governments in conducting diplomatic activities with their foreign counterparts. Paradiplomacy is the agglutination of the term "parallel", which refers to the status of local government as just below the state, and "diplomacy", which refers to the activity itself. The key of paradiplomacy is the distribution of authority between central and local entities in conducting international relations. According to Andre Lecours, there are three layers of paradiplomacy: (1) economic cooperation, which only includes a pragmatic cooperation for the sake of gaining economic benefits, like trade agreements; (2) exchange of knowledge, the cooperation in which both parts are willing to engage in an activity that includes the exchange of personnel in order to gain capacity in several aspects, like economic, development, education, and culture; and (3) political paradiplomacy, the deepest level of paradiplomacy in which a party conducts paradiplomatic activity in order to assert their political identity, which is distinctive from its central authority (Basque and Catalonia are good example of this).

There are three categories of paradiplomacy; (1) transborder regional paradiplomacy which define sub-national actors activities across national border, (2) transregional paradiplomacy which define cooperation between sub-national governments in different countries, (3) global paradiplomacy which define sub-national activities with foreign central governments, international organization, private sector industry, interest group, etc (Kaiser 2005, 92).

As a diplomatic action, paradiplomacy will enable local entities to communicate with their foreign counterparts. This, of course, conducted under the share of power mechanism by their respective central governments. By giving their local entities power to conduct paradiplomacy, states can benefit from specialized

issues that can be overtaken by local elements through such activity. Local governments, through its proximity with the constituents, are more able to identify the problems in the grassroots level than the state. Thus, paradiplomatic activity can connect those local government with the like- minded entities abroad. In common cases, paradiplomacy activity is completely aligned with the national interest of the central authority, thus it is called “parallel” diplomacy.

Cities, besides provinces and federal states, are one type of actor in paradiplomacy. Cities used to be examined as mere objects in the study of International Relations. However, after the advent of Sister Cities International on 1956, cities have been deemed as important subjects. In the paradiplomatic studies, cities are perceived important due to specific interests that they possess – which are sometimes taken for granted when we analyze the state level.

As a product of globalization, paradiplomacy can sometimes intertwined with the activity of regionalism. Within its scope, regional organization can utilize paradiplomacy as a means to establish a more people-based problem solving. By doing paradiplomacy, regions are able to address more specific issues, especially less-political ones, when states are deemed too big to be the main actor. In cities case, regions can work together with its constituent cities to eliminate urban-related problems. The relations of local governments in order to overcome environmental issues is called environmental paradiplomacy. One example that we can study from is the ASEAN Cooperation on Environmentally Sustainable Cities. This project is a decent example of environmental transregional paradiplomacy within the regional scope, with cities as its main actors. This paper will begin with describing several programs in which cities act as actors, then I will continue with analyzing the paradiplomacy process through policy share examination. At the final section, I will conclude the paper by mentioning what the success are and what can be achieved more from this project.

### **The Emergence of Environmental Issue within ASEAN Cities: ASEAN Cooperation on Environmentally Sustainable Cities**

With a relatively high population of about 580 million people compounded by high rates of rural urban migration, rising affluence and expectations of the people, cities in ASEAN are facing numerous challenges to make them environmentally sustainable and livable. Various programs have been implemented by ASEAN cities to tackle those challenges and improve their environmental performance. However, by simply ensuring and maintaining good environmental performance is inadequate. ASEAN cities have to strive to go beyond environmental performance and move towards achieving environmental sustainability. ASEAN commitments to ensure that cities/urban areas in ASEAN are environmentally sustainable, while

meeting the social and economic needs of the people are outlined in the ASCC Blueprint (2009 – 2015).

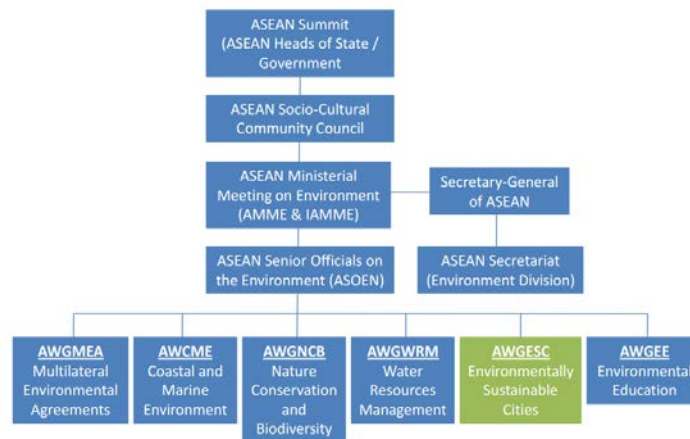


Figure 1: The ASEAN Cooperation on Environmentally Sustainable Cities and its position within the ASEAN framework (Source: ASEAN ESC Website)

ASEAN Cooperation on Environmentally Sustainable Cities (will later be referred as ASEAN ESC) is an area of cooperation within the ASEAN Cooperation on Environment conducted by ASEAN. This endeavor is a manifestation of the section D.5 of the Socio- Cultural pillar of ASEAN Community: Promoting Living Standards in ASEAN Cities/Urban Area. By having this cooperation, ASEAN tries to undermine urban-related problems within its regional scope. This project is funded by the Japan-ASEAN Integration Fund to facilitate the capacity building and training on how to build a sustainable city. The strategic objective is to ensure cities in ASEAN are environmentally sustainable, while meeting the social and economic needs of the people.

At the East Asia Summit Environment Ministers Meeting (EAS EMM) inaugurated in Hanoi, Vietnam in October 2008, the ASEAN Ministers decided to support a prioritized and phased implementation of the Singapore Declaration on Climate Change, Energy and Environment adopted at the 3rd East Asia Summit. The Ministers also agreed that ASEAN Environmentally Sustainable Cities was an immediate priority area as an initial step of EAS environmental cooperation.

According to ASEAN, there are six actions to be executed in order to achieve the target:

1. Expand the existing work under the ASEAN Initiative on Environmentally Sustainable Cities;
2. Intensify individual and collective efforts to improve the quality of air and water within ASEAN through regional or national initiatives to reduce industrial and transportation pollutions;
3. Share experiences, expertise and technology in areas such as urban planning including transportation, green building, water management,

urban greenery and urban biodiversity, conservation, sanitation and waste management, 3Rs (Reduce, Reuse and Recycle) and air, noise, water, and land pollution control, through among others twinning cities program;

4. Work towards initiatives such as “Low Carbon Society”, “Compact Cities”, “Eco-Cities” and “Environmentally Sustainable Transport”
5. Develop internationally comparable measures for environmental sustainability for major cities in ASEAN by 2015;
6. Introduce and implement an ASEAN Environmentally Sustainable Cities (ESC) Award by 2008 as an incentive to promote ESC practices.

We are going to use those indicators in order to measure the progress of the cooperation. We will discuss it at the later stage of this paper.

### **Role of the Cities in the ASEAN ESC**

Aligned with the vision of ASEAN ESC in tackling the urban problems, cities are placed as important actors in the endeavor. Thus, in this stage of the paper, I would like to highlight the role of the cities in the ASEAN ESC framework, including to what extent the share of power is given to the respective cities.

ASEAN ESC encompasses several measures that engage cities as their prominent actors. There are three major programs that are included in the platform:

1. ASEAN Initiative on Environmentally Sustainable Cities (AIESC)
2. ASEAN Environmentally Sustainable Cities Award (ASEAN ESC Award)
3. ASEAN Environmentally Sustainable Cities Model Cities (AMC)

I chose those three efforts since they are able to display different roles of cities in the ASEAN ESC mechanism. From those three efforts, I will next analyze the role of the ASEAN cities in the ESC framework. The points that I will examine are: (1) what is the regional strategy, and how cities can take part in them; (2) how is the sharing of power directed from the highest authority; and (3) what are the outcomes from the mechanism. From those points, I will conclude the success and limitations of the ASEAN ESC in the final part of this paper.

#### **1. ASEAN Initiative on Environmentally Sustainable Cities**

The ASEAN Initiative on Environmentally Sustainable Cities (AIESC) was endorsed by the ASEAN Environment Ministers in 2005 serves to assist ASEAN cities, especially the smaller and rapidly-growing, to pursue environmental sustainability. The program covers 25 participating ASEAN cities. As participating cities of AIESC, regional activities are focused on these cities, such as to pilot test the revised ESC Key Indicators for Clean Air, Clean Land and Clean Water.

Currently, there are 25 cities that have been included in the AIESC.

No	Country	City
1.	Brunei	Bandar Seri Begawan
2.	Cambodia	Phnom Penh, Siem Reap
3.	Indonesia	Padang, Palembang, Pekanbaru
4.	Lao PDR	Vientiane, Luang Prabang, Xayabouri
5.	Malaysia	Kuantan, North Kuching, Putrajaya
6.	Myanmar	Mandalay, Yangon
7.	The Philippines	Cagayan de Oro, Ilo-ilo, Quezon
8.	Singapore	Singapore
9.	Thailand	Bangkok, Chiang Mai, Krabi, Phuket
10.	Vietnam	Ha Long, Da Nang, Ha Noi

Figure 2: The Members of AIESC

These 25 cities are coming from all the member states of ASEAN. Most of them are cities that are classified as smaller cities, and/or the considerably rapidly growing cities in the state. The cities are chosen by ASEAN Ministers of Environment from their respective countries.

There are already several milestones that have been done by the working group. On 2005, the AIESC cities conducted a workshop on Developing Key Environmental Indicators and Awards to Promote Environmental Sustainability in ASEAN Cities. The list of indicators were endorsed by the 4<sup>th</sup> meeting on 2006 in the following year in Brunei Darussalam. Lastly, on April 2011, the AIESC has successfully done another workshop to improve the Key Indications for Clean Air, Clean Land, and Clean Water.

Several measures have been undertaken through the AIESC mechanism. In doing the project, AIESC also work with national governments, international and regional organizations, as well as interacting with participating cities. The most notable three were:

1. The demonstrative projects on Clean Air, Clean Land, and Clean Water with 6 cities. This project was conducted under assistance of USAID.
2. Capacity building on use of Human Ecosystem Model Toolkit. This project was conducted with the coordination with United Nations University.



3. Conducting action plans to address air pollution and urban transport. The project was undertaken under coordination with the German Technical Agency.
4. Study visit to South Korea on integrated waste management.

Besides through internal cooperation, the AIESC also serves as a uniting arena for city representatives in the High Level Seminar on Environmentally Sustainable Cities, which will be discussed in the following section.

The only limitation of this program is the lack of information available. Currently, the website of AIESC (<http://www.asean.org/news/asean-statement-communi-ques/item/asean-initiative-on-environmentally-sustainable-cities>) is inactive. This also indicates that publication remains the weakness of this project.

### **High Level Seminar on Environmentally Sustainable Cities**

In 2008, the High Level Seminar on Environmentally Sustainable Cities (HLS-ESC) was initiated by the ASEAN member countries at the Inaugural East Asia Summit Environment Ministers Meeting (EAS EMM) in 2008. The forum was intended as an immediate priority in which the engaging parties can exchange informations and foster collaborative actions on Environmentally Sustainable Cities. The forum has already taken place five times. The first was on 2010 in Jakarta (Indonesia), followed up with the 2<sup>nd</sup> HLS-ESC in Kitakyushu (Japan), 3<sup>rd</sup> HLS-ESC in Siem Reap (Cambodia), 4<sup>th</sup> HLS-ESC in Hanoi (Vietnam), 5<sup>th</sup> HLS-ESC in Surabaya (Indonesia), and lastly, the 6<sup>th</sup> HLS-ESC in Johor Bahru (Malaysia).

The forum serves as the place where various stakeholders – not only cities – can engage in a collaborative process in formulating the endeavor to build a sustainable region. For example, the 5<sup>th</sup> HLS-ESC was jointly organized by the Governments of Japan, Indonesia, United States Agency for International Development (USAID), the ASEAN Secretariat, and the ASEAN Working Group on Environmentally Sustainable Cities (AWGESC) with support from the Institute of Global Environmental Strategies (IGES) as the event Secretariat. The Seminar suggested and recommended to the EAS Environment Ministers to consider actions on broad policies and legal frameworks as well as practical projects under the EAS collaboration on ESC.

The key outputs of the HLS-ESC are: (1) creating long-term city planning as the basis for realizing ESC; (2) necessity to mainstream ESC in the national agenda; (3) effective governance; (4) knowledge sharing; (5) financing systems; (6) meaningful participation; (7) supports from others.

In general, participants of HLS-ESC consist of national governments, local governments (cities), development partners, intercity networks, research institutes, and academia. In the HLS-ESC, cities group is mainly represented by the AIESC

cities. However, the participation of the cities government are not limited to them. Several non-ASEAN cities are also able to present in the meeting.

## 2. ASEAN Environmentally Sustainable Cities Award

The ASEAN Environmentally Sustainable Cities Award is another mechanism conducted under the ASEAN ESC. The program was intended to appreciate the success practice of the ASEAN cities in managing their environmental quality. According to ASEAN, the Award aims to: “stimulate, benchmark, and recognize exemplary efforts on environmental sustainability”

The inaugural ASEAN ESC Award Presentation Ceremony was held in Hanoi, Vietnam on 8 October 2008, on the occasion of the 11<sup>th</sup> The ASEAN Environment Ministers presented the awards to ten cities/townships/districts in ASEAN that had made exemplary efforts towards environmental sustainability. The ESC Award aims to make ASEAN cities environmentally sustainable by recognizing exemplary efforts and sharing best indigenous practices to keep cities clean, green, and livable.

Until now, the ASEAN ESC Award have been given three times. First one was on 2008 in Hanoi (Vietnam), second one was on 2011 in Bali (Indonesia), and the last one was on 2014 in Vientiane (Lao PDR). On the table below, I will give the list of ASEAN ESC Award winners, and in what year they won it:

Country	City
Brunei Darussalam	Temburong (2008); National Housing Scheme Rimba (2011); Bandar Seri Begawan (2014)
Cambodia	Phnom Penh (2008, 2011); Battambang (2014)
Indonesia	Palembang (2008); Surabaya (2011); Balikpapan (2014)
Lao PDR	Luang Prabang (2008, 2014); Xamneau (2011);
Malaysia	North Kuching City Hall (2008); Putrajaya (2011); Melaka (2010)
Myanmar	Taungyi (2008); Pyin Oo Lwin (2011); Yangon (2014)
Philippines	Puerto Princesa (2008, 2011); San Carlos City (2014)
Singapore	South West Community Development Council (2008, 2011); North West District
Thailand	Bangkok (2008); Phuket (2011); Chiang Rai (2014)
Viet nam	Ha Long (2008); Da Nang (2011); Hue (2014)

Figure 3: The Winners of the ASEAN ESC Award

The mechanism for selection is given to the respective nations. At the initial stage, each country are asked to implement their own national award for cities. Then, from the winners, each country are able to nominate its best city (or district) to be forwarded into regional level. At the regional stage, all national winners are presented in the ASEAN Ministerial Meeting on Environment. Lastly, the process will be used to refine and harmonize national award process and eventually towards competitive process for ASEAN ESC Award.

Although the cities are placed as the center of attention in the project, in its very core, the mechanism is still considerably state-based. The main problem, which still persists until now, is that the inability of ASEAN in creating a common benchmark due to the development disparities among the member states.

### **3. ASEAN Environmentally Sustainable Cities Model Cities**

ASEAN Environmentally Sustainable Cities Model Cities is, considerably, the program in which we can examine the role of the cities in the best way possible. It is a regional project conducted by ASEAN to initiate sustainable urban development. This project is funded by the Japan-ASEAN Integration Fund to facilitate the capacity building and training on how to build a sustainable city.

At the East Asia Summit Environment Ministers Meeting (EAS EMM) inaugurated in Hanoi, Vietnam in October 2008, the Ministers decided to support a prioritized and phased implementation of the Singapore Declaration on Climate Change, Energy and Environment adopted at the 3<sup>rd</sup> East Asia Summit. The Ministers also agreed that Environmentally Sustainable Cities (ESC) was an immediate priority area as an initial step of EAS environmental cooperation.

To formulate concrete activities on ESC, the 1<sup>st</sup> High Level Seminar on Environmentally Sustainable Cities (HLS ESC) was held in Jakarta in March 2010, where 5 activities for promoting ESC in the region were recommended.

1. An East Asian Model Cities initiative
2. A clearing house for ESC-related data and information
3. A Public and Private Sector Forum on ESC
4. ESC Capacity Building Program
5. EAS ESC Awards based on performance indicators

To realize these recommendations, a proposal for initiating the ASEAN ESC Model Cities Program as an umbrella program implementing the 5 points was developed and submitted to the Japan-ASEAN Integration Fund (JAIF) for funding in May 2010. While undergoing the approval process, the proposed program was warmly welcomed by the 2<sup>nd</sup> High Level Seminar on Environmentally Sustainable Cities (HLS ESC) held in March 2011 in Kitakyushu, Japan where related progress and development was shared by national and local governments and ideas for collaboration were expressed by supporting organizations. A year on from the 1<sup>st</sup>

High Level Seminar on Environmentally Sustainable Cities (HLS ESC), this program is now a reality.

In doing so, the program aims to support ASEAN countries in the creation of model cities to serve as examples across the region of how local governments can take the lead in pursuing sustainable development at the local level.

The program's key features are:

- **Triple-tier approach:** Creating a framework to leverage the strengths of stakeholders at the local, national and regional levels, as well as to facilitate additional support from supporting organizations.
- **Demand-based:** Assistance is provided according to proposals by local governments based on self-defined short- to long-term vision and development goals and plans
- **Promotion and Reporting:** Providing a platform to promote and report good achievements of local governments to high-level policy makers and other key stakeholders
- **Synthesis and Collaboration:** Collecting and studying good practices and models and fostering collaboration among relevant stakeholders for their replication and scale-up

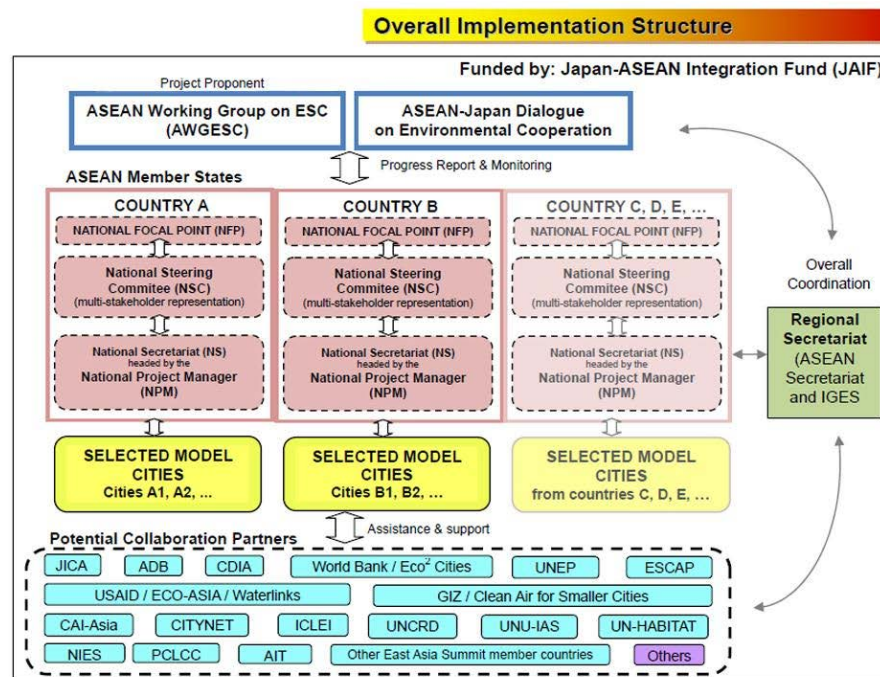


Figure 4: Policy flowchart of ASEAN Model Cities (source: ASEAN Model Cities Website)

The sharing of power from the regional authority (ASEAN) to the local governments (cities) is as follows. Firstly, with guidance and support from the program's Regional Secretariat (ASEAN Secretariat and the Institute for Global Environmental Strategies, IGES), national governments establish national oversight

for the program by recruiting a National Focal Point (NFP), a National Steering Committee (NSC) and a National Secretariat (NS) headed by a National Project Manager (NPM). The framework of the country-based ESC Model Cities Program is designed by the NSC who will detail the national aims of the program for a given country.

The national program is announced and a Call for Proposals is issued, inviting local governments to submit proposals on becoming a 'Model City' based on their long- term visions and action plans. The proposals submitted are evaluated by set criteria, such as the achievability of plans, past achievements, replicability of good practices, potential to be a model for other cities, expected outputs and others. One or more cities are then selected to be Model Cities.

The selected Model Cities then implement capacity building and training activities for local government officers, as well as follow-up activities with support from respective national governments and the Regional Secretariat. The Regional Secretariat may also coordinate additional support from collaborative partners in parallel.

Monitoring and evaluation of the performance of Model Cities is conducted by national governments with support from the Regional Secretariat. The results are compiled and analyzed to provide ideas to enhance the next cycle of the program and to assist in promoting international learning and collaboration.

### **Example: Smart, Humane, and Ecology City of Indonesia**

On 2012, the Indonesian government set up a proposal on ESC Model Cities called the "Smart, Humane, and Ecology City". The cities which are proposed to be the model for the implementation are Surabaya and Palembang—which have successfully perform their outstanding abilities in sustainable development through the national Adipura award.

This project is focusing on how the two major cities of Indonesia could handle the environmental problem, especially the solid waste management which is the main concern of the project. In the project, The ASEAN ESC Model Cities Program worked with the Ministry of Environment in a nationwide initiative to replicate a model Waste Bank originating in Bantul, Yogyakarta in these two cities and to build a national platform to facilitate mutual learning among waste bank operators.

The objectives are:

1. Two national-level seminars
2. Training for establishing waste banks in Surabaya and Palembang
3. Training on systems for operating compost and recycle centers
4. Workshop on community-based solid waste management

In this project, the main stakeholders are the local government alongside with the local NGO's and relevant communities. National government—through the

Ministry of Environment—serves as the national focal point which delivers the progress report and the two-way monitoring towards the regional committee, namely the ASEAN Working Group on ESC and the ASEAN-Japan Dialogue on Environmental Cooperation.

The expected results of the project are the establishment of two model waste banks (one each in Surabaya and Palembang) which will serve as a pilot model to disseminate experiences for further replication within the two cities; City officers and residents trained in composting and recycle center management; A nationwide network of waste bank operators, consolidated from existing networks at the provincial and city level. Now, both cities have been confirmed as the model city representing Indonesia on the ESC Model Cities, alongside with the other 12 cities.

### **Measuring the Paradiplomacy**

In the previous sections, we have seen how the ASEAN ESC is conducted as a form of environmental paradiplomacy in the Southeast Asian Region. Moreover, we have also examined some of the projects, including the position of cities within.

For a brief refreshment, we shall keep in mind that the core concept of paradiplomacy serves as a political entity's extra-jurisdictional activity targeting foreign political entities (Grydehoj, 2014: 2). According to Grydehoj, there are three actors we need to distinguish in order to understand paradiplomacy: (1) subnational entity; (2) national entity; and (3) supranational entity. In this case, the intended "subnational entity" are the cities; "national entity" are the ASEAN states; and the "supranational entity" is the ASEAN.

Before we jump into the measurement of the project, initially we need to examine the degree of paradiplomacy. If we use the Three Layers of Paradiplomacy by Andre Lecours in order to examine to what degree this activity is conducted, we are able to see that ASEAN ESC lies at the second degree, or the exchange of knowledge. We can conclude this since from the very beginning, ASEAN has constituted that the aim of this cooperation is to maximize capabilities of its member cities in managing urban problems. This can be seen in several points of the ASEAN ESC target. The keywords like "improve", "share experience", and "develop" are key terms in the second layer of paradiplomacy. This layer is characterized by a cooperation that is more extensive and more multidimensional insofar as it is not simply focused in economic gain (Lecours, 2008:3).

Being in the second degree (layer), ASEAN ESC is not a cooperation which only seeks economic benefit, nor does it serve as an arena where cities can contest their political identity. It can be said that third layer paradiplomacy is unlikely to occur in the case of ASEAN. As codified in the Bangkok Declaration, the principle of non-interference is still remaining integral in the cooperation of ASEAN states. The Bangkok Declaration expressed that the member-states are determined to prevent

external interference in order to ensure domestic and regional stability (Stubbs, 2008).

Yet, on the other hand we need to take into account that paradiplomacy is distinguished from the conventional type of diplomacy. In its very nature, paradiplomacy is specific and targeted, often opportunistic and experimental (Keating, 1999: 11). Therefore, it is important to see that even though no particular political stance is held by the cities, there is a certain structure that shapes the direction of the paradiplomacy. In the ASEAN case, the direction is codified through the six action target that were mentioned in the former section of this paper. I will measure the depth of this paradiplomacy from those six targets.

### **Progress Analysis (2005-2015)**

This first action target can arguably be perceived as achieved. We can see it from the number of cooperation that exist during the codification of the action target. There have been five High Level Seminars on Environmentally Sustainable Cities (HLS- ESC). Moreover, the expansion can be seen from the number of actors involved in the mechanism. We can once again recall the involvement of the Governments of Japan and United States Agency for International Development (USAID) in the seminar.

Even though we can still debate the depth of the cooperation, with the expanding actor, we can measure that this first target has been achieved. At least, it has demonstrated that the initiatives of the governments to expand its cooperation scope have achieved the objective.

The next action target talks regarding the urban air and water problems. By2020, it is projected that as much as 50% of the ASEAN populations will reside in cities. As the urban population increases, it is imperative to answer the urban environmental challenges. As the industrial activities bloom, as the result of the more urbanizing region, the mostly impacted two factors are air and water. This second target aims to increase the quality of air and water as the standards of livability in ASEAN cities.

At the national level, ASEAN have tried to tackle those issues pertaining air and water management. For example, ASEAN have conducted a Cooperation on Transboundary Haze Pollution on 2002, and the ASEAN Strategic Plan of Action on Water Resources Management. However, there are still limited efforts regarding how urban actors are placed as main stakeholders in addressing such problems. Now, state remains the most important in managing the water issue within the region.

The sector that has been more successfully addressed is the air pollution problem. Through the mechanism such as Clean Air Project (under the AIESC),

which was funded by the German Government, ASEAN has considerably utilized its function as a regional suprastructure that is able to tackle the urban air problem.

The third effort, namely sharing experiences, expertise, and technology through twinning, is partially achieved. Although twinning is among the most common forms of paradiplomacy, ASEAN have not codified a rigid cooperation mechanism regarding this aspect. However, the closest mechanism that ASEAN have to the city-twinning mechanism is reflected through the ESC Model Cities program. This program is a good example on how cities can demonstrate their good practices on urban management. Its main four features, namely the triple-tier approach; demand-based, promotion and reporting; and synthesis and collaboration, ASEAN have demonstrated a comprehensive practice on how cities are placed as an example for other cities—despite not directly, as in twinning mechanisms. Besides that, several measures are still in need of addressing, especially pertaining the power relations between ASEAN, states, and cities.

Next effort, working towards initiatives such as “Low Carbon Society”, “Compact Cities”, “Eco-Cities” and “Environmentally Sustainable Transport”. This effort has been addressed several times as well in the HLS-ESC, yet, there is still a difficulty in applying the effort as a regional conduct. Until the 6<sup>th</sup> HLS-ESC, only Malaysia have included it thoroughly in their national report, through Green Neighborhood National Plan and Iskandar Regional Development Plan. Once again, the diversity of national conditions have made this a remaining difficult task for the member nations.

The fifth action target, namely to develop internationally comparable measures for environmental sustainability for major cities in ASEAN by 2015, despite have been worked on, has not been achieved perfectly by now. On 2005, ASEAN have conducted a workshop on Developing Key Environmental Indicators and Awards to Promote Environmental Sustainability in ASEAN Cities. Benchmarking is among important issue of the region, since there have been development disparities between each states. However, the action plan still needs some improvement. Until now, the mechanism that involves cities awarding (such as ESC Award) is still fully dependent on each state’s policy. As Loh Ah Tuan, The Chairman of AWGESC stated, the current stumbling block is the varying circumstances and development level between ASEAN countries. Until the 6<sup>th</sup> HSL-ESC, the key indicators for these different conditions between member countries are still being discussed.

Lastly, the sixth action, namely to Introduce and implement an ASEAN Environmentally Sustainable Cities (ESC) Award by 2008 as an incentive to promote ESC practices, have been successfully achieved. The Award was inaugurated on 2008, and has been given to approximately 26 cities from 10 different member countries. Even, on its second inauguration on 2011, a new award was given,



namely ASEAN Certificates of Recognition. The award have been given twice, on 2011 and on 2014.

Action	Achieved	Can be
Expand the existing work under the ASEAN Initiative on Environmentally Sustainable	✓	
Intensify individual and collective efforts to improve the quality of air and water within ASEAN through regional or national initiatives to reduce industrial and transportation pollutions		✓
Share experiences, expertise and technology in areas such as urban planning including transportation, green building, water management, urban greenery and urban biodiversity, conservation, sanitation and waste management, 3Rs (Reduce, Reuse and Recycle) and air, noise, water, and land pollution control, through among others twinning cities program		✓
Work towards initiatives such as “Low Carbon Society”, “Compact Cities”, “Eco-Cities” and “Environmentally Sustainable Transport”	✓	
Develop internationally comparable measures for environmental sustainability for major cities in ASEAN by 2015		✓
Introduce and implement an ASEAN Environmentally Sustainable Cities (ESC)	✓	

Figure 5: A table showing the achievement of ASEAN Cooperation on Environmentally Sustainable Cities, according to their respective target

### Concluding Remarks

From the explanations above, it can be seen that ASEAN have prepared several platforms in facilitating subnational entities (cities, in this case) as integral parts in creating a sustainable region. Yet, rather than being purely paradiplomatic, the practice still holds state as main actors.

ASEAN have, arguably, succeeded in engaging with several stakeholders in tackling urban issues. Not only do cities placed as actors, but also foreign transnational actors like USAID and Japanese Government. However, this can also mean that cities are not anymore central in the project. Rather, cities can only be

regarded as objects, or policy executors by the central government. If such thing happen, the paradiplomacy can be ineffectual. Thus, what is needed, is the more intense communication between cities as prime stakeholders. What ASEAN need to do next, is to broaden its scope to other activities beyond the program. As the regional suprastructure, ASEAN need some activities to encompass philosophies, strategies, and policies more to the public.

According to former explanations, ASEAN have achieved three of their six action plans. The parameter used is the comparison between the arranged actions, and current efforts that have been fulfilled. Even though the evaluation can still be put into more debate, this could serve as a reflecting point for further researches on ASEAN, especially with reference to ASEAN activities on Environmentally Sustainable Cities.

Already having a platform of environmental paradiplomacy, namely the ASEAN Initiatives on Environmentally Sustainable Cities (AIESC), the institution need to strengthen and make it as a consistent base where cities can cooperate and contest their issues on regional environmental cooperation. As Stephan Wolff argued, integrative mechanism is an important part of paradiplomacy. By saying this, it should be taken into account that a consistent integrative platform is imperative in order to give a common understanding between the stakeholders. However, due to the lack of data available, the author is unable to give a more in-depth analysis regarding the issue. The author also suggest that AIESC and ASEAN Model Cities can be more integrated, to make it more consistent in practice.

Next, paradiplomacy should also stimulate the involvement of grassroots (Lecours, 2008: 13). Thus, ASEAN need to disseminate more information regarding their paradiplomatic activities. The author holds the view that currently ASEAN's paradiplomacy on urban issues is still too diverse, and state-centric. This can be seen from former explanations regarding the policy flowchart on regional urban policy. ASEAN need to engage its components to make the issue a regional concern. On the 6<sup>th</sup> HLS-ESC, Do Nam Thang, The Vice Director, of International Cooperation Department, Ministry of Natural Resources and Environment(Vietnam) stated that the problem with ASEAN ESC is the top-down approach. He stressed that "top-down" national policies and goals cannot be realised unless local communities are also committed and cooperative. He also emphasised the value of enabling mutual learning among cities and effective coordination to meaningfully connect the diverse sectors and stakeholders involved in ESC projects. Flow of information and idea is a key of public diplomacy (Gullion, 1965). Internet can serve as a good example on how to spread information to the different groups of people. However, there is also a limitation that needs to be addressed by ASEAN, that the website of AIESC) is currently inactive. This also hampered the research, that the data regarding the latest progress cannot be accessed.

In correlating ASEAN Cooperation on Environmentally Sustainable City with the project to create an integrated society, one must remember that it is important to realize that a top-down endeavor poses a risk to the awareness of the constituent of the community. Thus, cities, in this case, especially their components, must be placed as important defining actors. This can be done by disseminating more information regarding ASEAN ESC to the grassroots level. AIESC should not serve only as a forum for cities' leaders to meet, but it should also serve as a central body to create, support, and publicize the common understanding regarding the need of an environmentally sustainable region.

In building a sustainable ASEAN region, especially through paradiplomacy, subnational entities should be given more portion in participating. In this sense, the author acknowledges ASEAN's good intention in realizing cities as important components in an integrated region. However, ASEAN should recognize the proximity of the subnational entities with their constituents, and utilize it to its maximum extent. Thus, cities should not only be placed as national policy executors, but they should be moved as inputs in generating regional policies. Projects and policies should continue from various media, so that this paradiplomacy is not merely a project for the elites, but for the people. ASEAN should continue disseminating the ideas, to make the progress available for everyone. This is intended to strengthen the sense of community in apprehending ASEAN as an integrated region. Further researches might be focused on the evaluation of each program, and how will ASEAN ESC continue after the implementation of ASEAN Community 2015.

### References

- ASEAN - High Level Seminar on Environmentally Sustainable Cities. <<http://hls-esc.org/>> visited on 25 April 2015.
- ASEAN Official Website, *ASEAN Working Group on Environmentally Sustainable Cities*, <<http://environment.asean.org/asean-working-group-on-environmentally-sustainable-cities/>> visited on 25 April 2015.
- ASEAN-German Technical Cooperation. *Clean Air for Smaller Cities in ASEAN Region*. <<http://www.citiesforcleanair.org/>>.
- Chair's Summary 6th High Level Seminar on Environmentally Sustainable Cities 9 - 10 February 2015.
- Damayanti, Christy. 2012. *Potensi Paradiplomasi dalam Mendukung Kinerja Diplomasi Indonesia menuju Komunitas ASEAN*. Transformasi Vol.XIV No.22.
- Lecours, Andre. 2008 *Political Issues of Paradiplomacy: Lessons from the Developed World*.

Netherlands Institute of International Relations 'Clingendael'.

Letchumanan, Raman. *Is there an ASEAN policy on climate change?*. London School of Economics and Political Science Publications. <<http://www.lse.ac.uk/IDEAS/publications/reports/pdf/SR004/ASEC.pdf>>

Maeda, Toshizo. *Framework and main outputs of the ESC Model Cities Programme in ASEAN*. 2013. <[http://www.env.go.jp/earth/cop/cop19/event/file/131116/13001345/1116\\_1300\\_01\\_Maeda.pdf](http://www.env.go.jp/earth/cop/cop19/event/file/131116/13001345/1116_1300_01_Maeda.pdf)>

Setzer, Joana. 2013. *Environmental Paradiplomacy: The Engagement of the Brazilian State of Sao Paulo in International Environmental Relations*. London: London School of Economics And Political Science.

Tuan, Loh A. Support Mechanisms from Support Mechanisms from ASEAN Working Group on Environmentally Sustainable Cities (AWGESC) Sustainable Cities (AWGESC). <[http://kitakyushu.iges.or.jp/docs/network\\_meetings/kin4/ppt/18.Tuan.pdf](http://kitakyushu.iges.or.jp/docs/network_meetings/kin4/ppt/18.Tuan.pdf)>.

Wolff, Stefan. *Paradiplomacy: Scope, Opportunities and Challenges*. <<http://www.stefanwolff.com/files/Paradiplomacy.pdf>>.

Yuana, S.L. 2013. *Posisi Pemerintah Lokal dalam Pemerintahan Regional; Studi Komparatif Kota-kota di Uni Eropa dan Asia Tenggara*. Yogyakarta: Universitas Gadjah Mada.

**CHAPTER II :  
ECONOMY ISSUES IN ASEAN  
INTEGRATION**



# THE EMERGING IMPORTANCE OF ASEAN DEFENSE MINISTERIAL MEETING IN STRENGTHENING ASEAN ECONOMIC COMMUNITY: A POLITICAL ECONOMY OF SECURITY ANALYSIS

Semmy Tyar Armandha<sup>1</sup>  
Universitas Pertahanan Indonesia  
(semmytyar@gmail.com)

## ABSTRACT

*Establishment of the ASEAN Defense Ministers' Meeting (ADMM) can be said to be a synergy between the creation of a free market of ASEAN Economic Community in Southeast Asia, with the security community in order to realize the ASEAN Vision 2020. The synergy between the free market and the security community shall be a precondition for the ASEAN Vision 2020 since Southeast Asia is an area of great strategic, economic and political hegemony of global states. By using the security community theoretical framework used by Amitav Acharya via Karl Deutsch –which describes the tendency of developing countries to manage international anarchy as an alternative to the security dilemma and interdependence (neorealism and neoliberal-institutional) are considered to be too linear in view of the interaction among nations – the author emphasize the interrelation between economic aspect the defense aspect using the Foucauldian governmentality theory utilizing the operationalization within the state of exceptional theory by Antonio Negri and Giorgio Agamben' oikonomia apparatus, as a form of preconditions that enable the security community to happen. Simply put, the ADMM is a device that is inevitable if ASEAN wants to seriously create a free market economy in Southeast Asia. The establishment of ADMM is thus inevitable in the current reality of a region in order to form a free trade agreement.*

**Keywords:** ASEAN Defense Ministers' Meeting, ASEAN Economic Community 2015, governmentality, security community, state of exception, oikonomia apparatus.

## Introduction

This paper at least wanted to propose three arguments: first, to establish a market mechanism in the new territorialisation, it is important to establish a defense mechanism in order to build the image of the territorialising and clear boundaries so that economic activity in the region can be guaranteed continuity. Second, the behavior of a country that can be seen from these conditions, therefore, is not

---

<sup>1</sup> The writer is a Masters candidate at the Defence Economics Study Program at Indonesian Defense University, Bogor, West Java.

limited to self-help behavioral (selfish), prioritizing war, and maintain the status quo security dilemma which is a series of assumptions of realism and neorealism in view of international relations.<sup>2</sup>

On the other hand, state is not always be in a state of dependence on the interaction patterns of cooperation; where economy plays a larger role than security because democracy and neoliberal capitalism allows only state-economically rational interaction. Developing countries are in fact still need foreign help in sustaining the economy, requires cooperation and development and technology transfer, but also requires the strengthening of the security community in order to ensure competition in the economy take place safely. *Third*, that the two conditions provide an understanding that defense is a field completely inseparable from economic needs, even in the era of dominance of neo-liberalism notwithstanding the order in which the state share is smaller than other economic actors.

ASEAN Defense Ministers' Meeting (ADMM) can be regarded as an attempt to build community, to develop and materialize the institutionalization of practical cooperation in the field of defense by the member countries of the Association of South East Asian Nations (ASEAN), which aims to regulate the annual meeting to discuss security issues nontraditional based rotational system Expert Working Groups (EWGs).<sup>3</sup>

ADMM is the distinction of the framework of the ASEAN Regional Forum (ARF) which is dealing in addressing traditional threats. ADMM was formed in 2006 and held its first meeting on May 9, 2006.

The objective of establishing ADMM include promoting regional peace and stability through dialogue and cooperation in the field of defense and security, promote mutual trust and confidence through understanding about the challenges of defense and security as one part of the transparency and openness, and the most important is to support the realization of the ASEAN security community decided under the Bali Concord II, which aims to build the ASEAN's aspirations for peace, stability, democracy, and prosperity in the region where ASEAN members located.<sup>4</sup>

In 2015, the ASEAN Economic Community launched as part of originally the ASEAN Vision 2020 agreement, announced in December 1997 in Kuala Lumpur. The declaration envisioned the transformation of Southeast Asia as a region stabli, prosperous and competitive is supported by a balanced economic development. This further confirmed in the Bali Concord II in October 2003 which contains the

---

<sup>2</sup> Amitav Acharya, *Constructing a Security Community in Southeast Asia: ASEAN and the Problem of Regional Order*, (New York: Routledge, 2001), pg. 1-2.

<sup>3</sup> Lihat <http://www.asean.org/communities/asean-political-security-community/category/asean-defence-ministers-meeting-admm>, diunduh pada 6 November 2014.

<sup>4</sup> *Ibid.*



establishment of the ASEAN Economic Community as a way to achieve the 2020 vision.

ASEAN Economic Ministers Meeting, in August 2006 in Kuala Lumpur, launched a strong commitment towards the establishment of regional economic integration and a blueprint which began to be applied by the ASEAN member countries starting in November 2007. The meeting of the 12<sup>th</sup> ASEAN summit in January 2007, the mengkonkritkan commitment to the introduction of the ASEAN Economic Community in 2015. There are five core elements of the underlying operations of the ASEAN Economic Community: (1) The free movement of goods; (2) the free movement of services; (3) the free movement of investment; (4) The free movement of capital; and (5) the free movement of skilled workers. This consequence in Indonesia should readiness to welcome the competition is so open with ASEAN countries both in terms of trade and employment and business competition.<sup>5</sup>

The establishment of the free market in Southeast Asia, in addition to having consequences for every country must prepare for the higher level of competition, also make Southeast Asia the higher order interdependensinya that therefore the higher the major countries that would be interested in doing the same work. ASEAN plus three, ADMM plus, and the East Asia Community is a few examples of the cooperation forum that facilitates the cooperation between ASEAN and countries outside Southeast Asia.

This shows how ASEAN into a region of interest, in addition to economic factors and productive, as well as countries such as Indonesia and Malaysia managed to escape from adversity 2008 economic crisis.

Therefore, ADMM and the ASEAN Economic Community 2015 (AEC 2015) can be said to be the two things are interrelated. On the one hand seeks to build economic prosperity through free-market mechanisms and competition, and on the other hand is an effort to establish stability and security in the region. Build a free trade area would have consequences for special attention also to the establishment of the security community. According to Amitav Acharya, the establishment of the ASEAN Political- Security Community is a form of the efforts of developing countries in Southeast Asia to create stability: first, increasing the likelihood that the security community through interaction and socialization, countries can manage anarchy.<sup>6</sup> Secondly, this theory study and offer theoretical and analytical framework in view of the impact of international institutions in order to promote peaceful change in international relations.<sup>7</sup>

---

<sup>5</sup> Dodi Mantra, *Hegemoni dan Diskursus Neoliberalisme: Menelusuri Langkah Indonesia Menuju Masyarakat Ekonomi ASEAN 2015* (Jakarta: Mantrapress, 2011), pg. 3-8.

<sup>6</sup> Amitav Acharya, *Constructing a Security Community in Southeast Asia: ASEAN and The Problem of Regional Order*, (New York: Routledge, 2001), pg. 1-2.

<sup>7</sup> *Ibid.*

So how the ADMM can support the ongoing ASEAN Economic Community in 2015? Amitav Acharya thinking about security community can be said also sought to answer this question. Acharya builds proposition shows that developing countries are not the same as developed countries can choose whether they want to fight with conduct an arms race or even play intense cooperation.

Security Community theory can be said an attempt to provide an alternative paradigm of linearity thinking neorealism (who see the interaction between nations always conflictual) and the way of thinking of neoliberalism (which saw the interaction between nations will be full cooperation if the democratic system. ASEAN in this case depends on both the paradigm within the same building where the security community and economic cooperation is an urgent need that if nothing is done, it will result in dependence on the developed countries outside of ASEAN who want to have an influence and profit from such influence.

But in a further study, the theory on the one hand is the theory that is able to precisely describe patterns of interaction in ASEAN, but on the other hand does not explain how and under what conditions it is possible from the interaction of the security community there and become a theoretical claim to all developing countries which will try to build a community (both economic and security). In other words, Acharya did not see the dimensions of the interrelationship between economic preconditions and the presence of a regional economic community (and the boundaries surrounding it) as a precondition also the justification for the construction of a security community.

## **Review of The Literature**

Security Community theory was first developed by Karl Deutch. It argue, first, the security community increasing the likelihood that through interaction and socialization, countries can manage anarchy, and although can get away from the security dilemma, realistic conditions, neorealist, and neoliberal is a permanent feature that will continue to occur in international relations.<sup>8</sup> Secondly, this theory study and offer theoretical and analytical framework in view of the impact of international institutions in promoting peaceful change in international relations. This framework challenging the dominant approach of realism, neorealism and neoliberalism that has been a debate between the 1980s and 1990s.

Security community, see international relations as a process of social learning, identity formation, which is controlled from the transaction, interaction and socialization. That change can happen peacefully with the perception and identification between actors. This explains why the state can choose interdependence and responsiveness, thus ignoring the use of force (use of force) to

---

<sup>8</sup> Amitav Acharya, *op.cit.*, pg. 1-2.

resolve the problems between them. International relations can direkonseptualisasi as “world society of political communities, consisting of social groups, a process of political communication, machinery for enforcement, and popular habits of compliance.” Third, this theory explains the dynamics of regionalism in developing countries. Together with Ernst Haas, Deutsch develop neo- functional approach and transaksionalisme.<sup>9</sup>

### **Theoretical Framework**

Thomas Hobbes in *Leviathan* argued that human beings are essentially selfish and evil that will always pursue their own interests in order to survive (survival of the fittest), and will always try to get rid of another human being.<sup>10</sup> Thomas Hobbes argues that no wrong in this case, but did not explain what Hobbes allows the practice of *homo homini lupus* is continuing and becoming a universal phenomenon that is not questionable re-structure that enables it. In other words, the analysis of Hobbes was not until the underlying structure of what human beings can get rid of the brutal each other in order to pursue efforts to survive. Similarly, analyzes of political realism to structural realism in International Relations science in general, who was born and inspired from the Hobbes thought.<sup>11</sup> On the one hand, the individual determines the interaction, on the other hand be structured interaction and determine individual choices in the act.

Similarly, idealism approaches (liberalism to neo-liberalism) also offers a good approach of the people (agency) and interaction (structural), where economic factors have been emphasized in the units of analysis.<sup>12</sup> Idealism approach considers that cooperation is the nature of every human interaction and only through cooperation, humans can accommodate interests tend to clash.<sup>13</sup> It is certainly more absurd than realism approach because it assumes people will easily be subjected to the accommodation-style accommodation cooperation and eliminate the potential for fraudulent behavior (cheating) is always likely to occur in human interaction.

Both the above approaches have in common is the view of the war and the economy. The country has always been associated in any war and economic interaction and therefore always be a constitutive part of the prerogative solely owned by the state. The other arguments to make knowledge about the war being biased by an entity called the state, also make their own terminology had to be

---

<sup>9</sup> *Ibid.*, pg. 3.

<sup>10</sup> Thomas Hobbes, *Leviathan: The Matter, Forme, & Power of a Common-wealth Ecclesiasticall*, London: St. Paulus Church-yard, 1651), pg. 128.

<sup>11</sup> Kenneth Waltz, *Man, The State and War*, (New York: Columbia University Press, 1997), pg. 1-2.

<sup>12</sup> Niklolas & Peter Miller Rose “Political power beyond the State: Problematics of Government”, *The British Journal of Sociology, London School of Economics and Political Science*, 2010, pg. 272-303.

<sup>13</sup> Joseph Nye, “Soft Power”, *Foreign Policy Journal, No. 80, Twentieth Anniversary*, 1990, pg. 153

separated or segregated. This is because of the war and the economy became classified into sections or specialized agencies that handle both.

The establishment of community security can be said is that the elaboration of the behavior of states on the one hand emphasize the state-centrism where suspicion dominant in that interaction memungkinkan security dilemma, but on the other hand the state also requires co-operation in forming a defense in a territory other than economic cooperation , It seems that the economic theory of the invisible hand also applies to the formation of a security community; ie without diaturpun security community will be unavoidable fixture of the territory in order to preserve peace and stability.

Therefore, to say that the economic and security (defense) are two separate things, is a reflection of Simplicissimus. Simplicissimus is a term used by Michael Hardt and Antonio Negri in analogy views on the war that simplistic (too simple). Simplicissimus is a character in the novel of the eighteenth century work of Johan Grimmelshausen, which sees everything in a very simple and only see partially.<sup>14</sup> In the novel, Simplicissimus sees the war in Germany involving Sweden, Spain and Denmark are the same war causal, but has a style and special features of each that can not be equated a good position and specifications. Whole argument in this paper will refer to the criticism of the way this Simplicissimus bad, indicated by a separate understandings between war and politics (by Hardt, Negri, and Foucault), and in particular translated by the author as the separation of authoritative economic studies and defense.

Hardt and Negri in *Multitude* explains that war is no longer merely in the country due to the interaction of patterned interactions of the war itself that is the state of exception or exceptions to the agency of war.<sup>15</sup> Hardt and Negri argues, "war was a limited state of exception", that is where the war is exempted in certain agencies such as the state and only certain countries only. This would allow the war becomes increasingly merged in the social interaction in general, why? Because in war there are political elements at play. Political interaction in the contemporary era itself is also increasingly fused in social interaction and even economic activity. Foucault in teorisasinya on governmentality practices, advanced the thesis that politics was "ingrained" in the smallest human life, from presidents to heads of households, are political agencies.<sup>16</sup>

The concept of biopower as a means of practicing mikropolitik are characteristic of a true rule of neoliberalism Foucault has started since the beginning of the eighteenth century.<sup>17</sup> Thus, war and politics are inseparable since

---

<sup>14</sup> Michael Hardt & Antonio Negri, *Multitude: War and Democracy in the Age of Empire*, (New York: The Penguin Press, 2004), pg. 5-6.

<sup>15</sup>*Ibid.*, pg. 12-13.

<sup>16</sup> Nikolas Rose & Peter Miller, *op.cit.*, pg. 273.

<sup>17</sup> *Ibid.*

neoliberalism emerged. This has implications on the understanding that members offer to fight Carl Von Clausewitz, that war is the continuation of politics by other means, be reversed by Foucault as "politics is the continuation of war by other means."<sup>18</sup> It is certainly also crucial given the inversion of reversing the general understanding of the war that was the prerogative of the state to dissolve in the social interaction in general, and on it goes consequences that war and politics is integral.

The inversion of Clausewitz's concept of war by Foucault, is also based on the frame of Foucault about the art of governing a country in the system and neo-liberal order. The government of a country not only uses his power to control its citizens directly (either by military or autocratic regime), but also through a series of settings from the control (conduct of conduct) that allows people regularly without the direct intervention of the government. Human nature as economic beings (*homo oeconomicus*) by itself allow the government to do art arrangements. The government has called Foucault as (1) the rationality of governance and (2) technology governance. Rationality of governance is the reason or justification melandasai a government issued a policy and administrative arrangements for our citizens, so that technology was created to address the current and possible rationality. So, on the one hand structurally government has its own mechanism, which allows *pengaturan* run without any coercion; on the other hand the public agency has the nature of *homo oeconomicus* that allow them subject to certain governance system.

And how it relates to the economic mechanism as a man to survive by exploiting the natural resources around them? Giorgio Agamben search for economic terminology which was derived from the Greek *oikonomia*, which is a combination of term *oikos* and *nomos*.<sup>19</sup> *Oikos* has a meaning analogous form of home contents cover members (members), while *nomos* is the formation or in ways that do to meet the needs of the home along with the members.

*Oikos* has two elements are interlinked and can not be separated from each other, ie their territory (home) with people (members) who have a need to survive. In other words, territory and human needs are two variables that influence each other so that if one is destroyed, the rest will be destroyed as well, or if the one attacked the other would also suffer losses. This concept shows clearly that the subsistence impossible not conducted in compliance with the aspects of security and defense since there is more than one *oikos* (can be called other families, other groups, other tribes, to other countries) which are subject to threaten efforts to defend life before.

---

<sup>18</sup> Michel Foucault, *Society Must be Defended: Lectures at the College De France*, (New York: Picador, 1997), pg. xviii.

<sup>19</sup> Giorgio Agamben, *What is an Apparatus? And Other Essays*, (California: Stanford University, 2009), pg.11.

*Nomos* is an effort to establish rule (simply, organizing) that allows *oikos* to a minimum walking and avoid collisions with other *oikos*. *Nomos* is also the practice of an *oikos* that sustain life goals can be run properly, with no other adjustments to the *oikos*. In other words, *nomos* is organizing practices undertaken to achieve the *oikos*, with or without notice another *oikos*. Of translation is increasingly clear that the practice *nomos* is none other than politics. Political and economic, is thus not two different things, constitute the interrelated to each other.

With reference to the above description, it can be said that war is the interaction that affects our entire line of human life at present under capitalism and the nation-state, which is therefore no longer a prerogative as a concept of interaction between nation- states. Process and efforts to achieve survival (by seeking the necessities of life) is essentially (by default) attempt to create defenses that both the military and the social movements and resistance. Hardt and Negri insisted, "... today, however, war tends to extend even farther, becoming a permanent social relations ..",<sup>20</sup> to cover their argument continued, "... it may be that war is a continuation of politics by other means, but politics itself be that war conducted by other means ...".<sup>21</sup> The phenomenon of war as part of a whole life and economic mechanisms that are the "field of battle" it, thus proving that the economic and defense at first is an integral and inseparable.

To solve this problem, it will first formulated in the formation of community security approach ADMM. Only then will set out how the security community on the reciprocal true economic community: namely that both the community is a necessity in order for a territory able to afford his own welfare without significant intervention from the outside. The author uses a state of exceptional approach developed by Michael Hardt and Antonio Negri to explain that the economy is actually the battle that requires defense in borders areas where the economy is a community. As for the show that basically the economy is inseparable from the efforts of security and defense, the concept of *oikonomia* apparatus of Giorgio Agamben could help to explain it.

## Discussion

ASEAN Security Community Plan of Action (ASC) which was adopted at the ASEAN Summit in Vientiane 10<sup>th</sup> on 29 November 2004, decided that ASEAN will work with the goal to establish the ADMM. ADMM is a consultative and cooperative mechanisms such as the ASEAN defense. ADMM aims to promote mutual trust and confidence through understanding about the challenges of defense and security as part of transparency and openness. The purpose of the establishment of the ADMM, as concluded in Kuala Lumpur on May 9, 2006, are as follows: 1)

---

<sup>20</sup> Michael Hardt & Antonio Negri, *op.cit.*, pg. 5-6.

<sup>21</sup> *Ibid.*

promote regional peace and stability through dialogue and cooperation in the field of security and defense; 2) to provide guidance on the ASEAN countries on how to set up an ASEAN security community and how to achieve it; 3) promote kesalingpercayaan and confidence through greater understanding of the challenges of security and defense in order to achieve transparency and openness; 4) to support the running of the ASEAN Security Community (ASC) which was decided in Bali Concord II and promote the Vientiane Action Programme (VAP); 5) to provide benefits to ASEAN member countries in building capacity to deal with security challenges.<sup>22</sup>

The theoretical framework of security community sees international relations as a process of social learning, identity formation, which is controlled from the transaction, interaction and socialization. Promoting regional peace and stability through dialogue and cooperation in the field of security and defense can be described as social learning and identity formation. Social learning here refers to how countries in the region can adapt to the framework of ADMM up the transfer of information to optimize the realization of the security community. Whereas in the interest of identity formation, ADMM through cultural dialogue can emphasize a common identity that despite the diverse and non- interference principle.

Meanwhile, to provide guidance to countries on how ASEAN security community was formed and how to achieve it is also one of the social learning process. Kesalingpercayaan and promote confidence through greater understanding of the challenges of security and defense, in order to achieve transparency and openness, and support the running of the ASEAN Security Community (ASC) is a form of socialization in order to strengthen the defense in the Southeast Asian region.

ADIC agreement (ASEAN Defense Industry Collaboration) agreed in February 2011, to promote ASEAN collaboration in the area of defense which resulted in five areas of security cooperation agreement: maritime security (maritime security), humanitarian assistance and disaster relief (humanitarian assistance and disaster relief), surgery peace (peacekeeping operations), counter-terrorism, and the treatment of military (military medicine). But at the heart of this cooperation is the establishment of a defense industry to reduce dependence on imports of defense equipment from weapons exporting countries such as the United States, Western Europe, and Russia. With the ADIC, possible reduction in imports of defense (defense imports) of 25 billion dollars per year to 12.5 dollars per year.<sup>23</sup> In other words, the operation by the transaction become a basic condition for cooperation in

---

<sup>22</sup> <http://www.asean.org/communities/asean-political-security-community/category/asean-defence-ministers-meeting-admm>, downloaded at 6 November 2014.

<sup>23</sup> Tomotaka Shoji, "ASEAN Defense Ministers' Meeting (ADMM) and ADMM Plus: A Japanese Perspective", (NIDS Journal of Defense and Security, 14, Dec. 2013), pg. 10-12.

the ADIC benefit the ASEAN member countries in building capacity to deal with security challenges.<sup>24</sup>

Community security framework can map patterns of interaction that occurs in conjunction with ASEAN in security cooperation with the interaction of its members notably linearly, but look at the specs and the particularity of the ASEAN region as a region different from other regions. But what about the reciprocal relationship (reciprocal) that can show constitutive security community and economic community in the region cannot fully elaborated in the theory, because it is still rotating in the fields of defense and security. While the emergence in the framework of ADMM ASEAN Security Community is also not free of ASEAN Vision 2020 with the declaration of the ASEAN Economic Community in 2015.

In this case, Hardt and Negri in *Multitude* through the frame of state of exception (special conditions) explains that in a territory that has agreed to do intensive cooperation, the behavior of members in the region to other territories that are not likely to show another patterned asertifitas war. The war here is not interpreted traditionally and linear, in which war always is the battles of the two great powers (countries). War may take the form of economic warfare or cyber war (cyber-war) -as an example. In the case of ADMM and the ASEAN Economic Community, the perception of conflictual interaction that war will undoubtedly formed by the Southeast Asian region is the area in which the struggle for influence in both the United States, China, and Russia and Western Europe. Therefore, if the collective defense mechanism is not performed (by synergizing economic and security), the quality and quantity of the free market cooperation will not be guaranteed for long.

Using the theory of Michel Foucault, a French political sociologist who formulated the theory of governmentality to describe the art of reigning in government neo- liberalism, Hardt and Negri explained that defense and security cannot be separated from economic interests because it is also a benefit to guard borders territorial venue for economic cooperation. In this case, in line with Foucault, Hardt and Negri see that as such is no longer the war is the continuation of politics by other means, unless politics itself is the continuation of war by other means. And significant implications.

Giorgio Agamben through filologinya search shows that the 'economic' from the structure and meaning of language, there have been political and defense elements in it. *Oikos* and *nomos* formed the vocabulary of *oikonomia* which means setting a scarce resource in a home (territory) to another territory. The setting is exactly what is called politics by other means, or war by other means.

---

<sup>24</sup> Tomotaka Shoji, "ASEAN Defense Ministers' Meeting (ADMM) and ADMM Plus: A Japanese Perspective", (NIDS Journal of Defense and Security, 14, Dec. 2013), pg. 10-12.



ASEAN Economic Community have the spirit to achieve the ASEAN Vision 2020, namely the existence of economic integration based on the convergence of interests of members of the ASEAN countries to deepen economic cooperation based on the principles of openness, market-based economy and the multilateral rules.<sup>25</sup> Southeast Asia in this regard can be considered as *oikos*, which is an area (of the house) that contains members (member countries). Their territory to be prerequisite for the existence of this area, namely by creating *nomos*, or attempt to set up the *oikos* needs scarcity can be minimized and the security and stability can be guaranteed when the set is done scarcity.

In addition, the ASEAN Economic Community blueprint, also announced a vision to unite the economy of Cambodia, Laos, Myanmar, and Vietnam are in fact countries with autocratic governments are likely.<sup>26</sup> This is certainly a consequence of strengthening the regional commitment to these countries want to participate in the free market system, which is possible because it has the political will to defuse tension, which is evidenced by the dynamic arms than arms races.<sup>27</sup>

### **Asean Economic Community as *Oikos*, Which Allows The Significance of Admm**

The formation of the ASEAN Economic Community is none other than the realization that Southeast Asia on the one hand have to catch up with the developed areas of the country as well of the political system, economy and investment. Of the political system, ASEAN is struggling to countries that fully mature democratically up progress in the economic field is made possible by allowing mutual respect between countries. In other words, through a system of competitive democratic competition is possible without internal friction in the area. On the other hand, ASEAN must also independently without having to rely on the assistance of developed countries. By establishing a regional free trade, the countries of Southeast Asia can be as strong as the EU border almost no other economic activity.<sup>28</sup>

This makes the need for regionalism in East Asia. Bary Buzan looked further into Southeast Asia: In addition to that the potential is seen by developed

---

<sup>25</sup>"ASEAN Economic Community Blueprint", 2008, dalam <http://www.asean.org>, diunduh pada 6 November 2014.

<sup>26</sup> *Ibid.*

<sup>27</sup> Richard Bitzinger showed that Southeast Asia, even when the countries in it was increasing the defense budget, showed no interaction patterns security dilemma is reflected in the phenomenon of arms race. In contrast, Southeast Asia showed a pattern of interaction more dynamic arms. See Richard Bitzinger, "A New Arms Race? Southeast Asian Military Explaining Recent Acquisitions ", *Contemporary Southeast Asia*, Vol. 32, No. 1, 2010, pp. 50-69.

<sup>28</sup> Build an area which incidentally also creates variations in multilateralism allow more intensive interaction with other countries. International rules or international rules that vary with demikan will be created and allow hegemony and hierarchy in international relations can be minimized. See Charmaine Misalucha, "Southeast Asia-US Relations: Hegemony or Hierarchy?", *Contemporary Southeast Asia*, Vol. 33, No. 2, 2011, p. 209-28.

countries,<sup>29</sup> but the region also has a history of colonialism which is very long.<sup>30</sup> Thailand recorded only with no history of colonialism, and the rest to the colonies both Western Europe and the United States. This makes Southeast Asia a pattern of interaction called by Buzan as a Regional Security Complexity. Said complex because it has been a long occupation, as well as a culture that mixed with those countries which allow those who occupied it as the loss of self-esteem and tend to run other developed countries.<sup>31</sup>

In addition to the complexities faced by ASEAN's track record as a result of colonization, but ASEAN remains an apparatus for Southeast Asia, which was formed out of a desire in the *oikos* members to set its house in order not to admixture affairs by other *nomos*. With the ASEAN-which was followed by efforts to build economic and security community itself --- thus creating apparatus (apparatus) that can at least be a deterrent effect of the vibrator and other members-members in other areas in order for them to follow the rules if you want to stay in touch good with Southeast Asia. ADMM presence here, work and effort is closely related to the vibrator and the antidote, no offensive impressed by the image, because it's basically the ADMM aimed at addressing the problem of non-traditional security challenges and threats to traditional.<sup>32</sup>

## CONCLUSION

ASEAN Economic Community (AEC) in 2015 is the pre-condition that allows ASEAN Defense Ministers' Meeting (ADMM) is important and significant for sustainability, and furthermore, for the sustainability of ASEAN to achieve ASEAN Vision 2020. This is shown by the formation of the spirit of security community initiated by Karl Deutch and Amitav Acharya in his analysis proceeded in Southeast Asia; then elaborated again with the approach of state of exception Michael Hardt and Antonio Negri and Giorgio Agamben *oikonomia* apparatus. With this theoretical approach, the authors emphasize the argument in this paper is that the ideal / ASEAN Vision 2020, which outlined the implementation of the ASEAN Economic Community and the foundation is strongly associated

---

<sup>29</sup> Jurgen Ruland see that although ASEAN has always bersikap hedging, but the multilateral contribute to other areas outside it. That is, by being friends with anyone yet still holds the position of a strong identity, ASEAN provides reinforcement also in multilateralism has now changed from multilateralism multilateralism states into regions. See Jurgen Ruland, "South East Asian Regionalism and Global Governance: Multilateral Utility Utility or Hedging?", *Contemporary Southeast Asia*, Vol. 33, No. 1, 2011, p. 83-112.

<sup>30</sup> Bary Buzan dan Ole Weaver, *Regions and Powers: The Structure of International Security*, (United Kingdom: Cambridge University Press, 2003), pg.133-135.

<sup>31</sup> *Ibid.*

<sup>32</sup> <http://www.asean.org/communities/asean-political-security-community/category/asean-defence-ministers-meeting-admm>, downloaded on 6 November 2014.

preconditions that enable the ADMM to be a significant presence. Therefore, it should really be used by ASEAN as a bargaining position in multilateral diplomacy with the community outside the region. This is because it is essentially an area that has the apparatus of regionalism, which is a reflection of the members in it, is likely to build a strong defense with the aim of maintaining stability and security in the region and to support joint economic market, which is a joint effort to reaching the necessities of life in the area.

Of analysis and argument, it can be seen that the ADMM (and ADMM Plus) is an excellent forum to establish and ensure the sustainability of the ASEAN Economic Community to become a force for ASEAN as a regional organization and its member states as economic forces and political forces strong. Without prejudice to the ASEAN Way as cultural diplomacy in ASEAN countries, ASEAN must proactively build and assertive ADMM as anti-thesis of refusal, the refusal of the cultural diplomacy of the ASEAN Way. Therefore, the existence of ADMM plus power should be hair-splitting and utilized for ensuring the implementation of the ASEAN Economic Community 2015.

## REFERENCE

### Books

- Acharya, Amitav. 2001. *Constructing a Security Community in Southeast Asia: ASEAN and The Problem of Regional Order*. New York: Routledge.
- Agamben, Giorgio. 2009. *What is an Apparatus? and Other Essays*. California: Stanford University.
- Buzan, Bary dan Ole Weaver. 2003. *Regions and Powers: The Structure of International Security*. United Kingdom: Cambridge University Press.
- Foucault, Michel. 1997. *Society Must be Defended: Lectures at the College De France*. New York: Picador.
- Hobbes, Thomas. 1651. *Leviathan: The Matter, Forme, & Power of a Common-wealth Ecclesiasticall*. London: St. Paulus Church-yard.
- Hardt, Michael & Antonio Negri. 2004. *Multitude: War and Democracy in the Age of Empire*. New York: The Penguin Press.
- Waltz, Kenneth. 1997. *Man, The State and War*. New York: Columbia University Press.

### Journals

- Bitzinger, Richard. 2010. "A New Arms Race? Explaining Recent Southeast Asian Military Acquisitions". *Contemporary Southeast Asia*. Vol. 32. No. 1.
- Misalucha, Charmaine. 2011. "Southeast Asia-US Relations: Hegemony or Hierarchy?". *Contemporary Southeast Asia*. Vol. 33, No. 2.
- Nye, Joseph. 1990. "Soft Power". *Foreign Policy Journal*. No. 80. *Twentieth Anniversary*.

- Rose, Niklolas & Peter Miller. 2010. "Political power beyond the State: problematics of government". *The British Journal of Sociology: London School of Economics and Political Science*.
- Ruland, Jurgen South. 2011. "East Asian Regionalism and Global Governance: Multilateral Utility or Hedging Utility?". *Contemporary Southeast Asia*. Vol. 33. No. 1.
- Shoji, Tomotaka. 2013. "ASEAN Defense Ministers' Meeting (ADMM) and ADMM Plus: A Japanese Perspective". *NIDS Journal of Defense and Security*, 14, Dec. 2013.

### **Website**

- <http://www.asean.org/communities/asean-political-security-community/category/asean-defence-ministers-meeting-admm>, diunduh pada 6 November 2014.
- ASEAN *Economic Community Blueprint*, 2008, <http://www.asean.org>, downloaded on 6 November 2014.
- Center for Strategic and International Studies. No. 25, 2011. "ASEAN Defence Industry Collaboration", dalam <http://www.csis.org/isp/diig>, downloaded on 6 November 2014.

# **“MIOP” (MICRO ALGAE INTEGRATED OFFSHORE PLANT) OPTIMIZATION OF BIODIESEL PRODUCTION IN INDONESIAN OFFSHORE AREA BY UTILIZING MICRO ALGAE AS ONE OF PRIME EXPORT COMMODITIES**

Agus Candra, Eka Pertiwi  
Department of Chemical Engineering Sriwijaya University  
Palembang-Prabumulih Street Km 32, OganIlir 30663, Southern Sumatera, Indonesia  
Email: i.khamil@yahoo.co.id ekapertiwi.94@gmail.com

## **ABSTRACT**

*MIOP or Micro algae Integrated Offshore Plant as a pilot plant which producing Biodiesel from species of micro algae “Nanochloropsis Oculata” that’s designed by combination of some plant process, such as cultivation of micro algae, pre-treatment, and process of biodiesel production from micro algae by integrating plant in offshore area. Based of the research, that 1 hectare of micro algae plant can produce biodiesel about 58.700 litres/year. If we calculate with area of waters in Southern Lampung which is a suitable place to build MIOP is about 30.000 hectares empty lands in three undevelopment districts, so that total of biodiesel production will be contained is about 1.761.000.000 litres/year. In otherwise, Southern Lampung can supply necessities of national biodiesel 1,4 times, so that biodiesel from micro algae will become international Indonesia’s commodity trade export beyond of necessities of National fuel.*

**Keywords:** Biodiesel, MIOP, Micro Algae

## **INTRODUCTION**

Nowadays energy is a primary world necessity .The main energy source in the industrial sector, transportation, and social life is a fossil fuel .According to *National Geographic America*, the amount of remaining crude oil has been predicted about 1,2 trillion barrels. New resources of fossil fuel found a lot, however the world necessity of energy is more enormous than the contrivance of crude oil field. Based of overview of current consumption, predicted 1,2 trillion barrels of crude oil will be shot in 44 years later (Fachdian, 2012).

One of Solution that has been considered to surmount the scarcity of conventional energy (crude oil, natural gases, coal) is a development of

Renewable energy which has environmentally friendly. One of realistic source is biodiesel fuel as diesel alternative. Currently biodiesel production has been dominated by a fresh feed from edible oils. As economical sight, this condition will harm food sector because it needs big field to produce feed stock in large amount. Production of agricultural land that supposed be used as food production land needs large area of cultivation instead. It's also impact the total of production, because of straightly proportional of available area.

The right solution of biodiesel is utilizing micro algae. It was reviewed from Indonesia's geographical location which is country of 4<sup>th</sup> longest beach line in the world about 95.181 kilometers (Indonesian Ministry of Marine Affairs and Fisheries, 2012). Despite biodiesel production of micro algae has been regarded ineffective because of limitation of technology. If we see from natural resources in Indonesia, this project is appropriate to be committed nowadays. By means of this paper, the authors propose the ideas about technology for utilizing the potential of micro algae as optimization of biodiesel production trough MIOP (Micro algae Integrated Offshore Plant) which has been designed and operated in offshore that take into account Indonesia's necessity of energy.

## **RESEARCH METHOD**

The method of writing scientific paper is a method which has been used literature review by reference of books, newspapers, scientific journals, and Internet articles. Thus the information that has been obtained can be proceed and also be combined with the problems, so that from the data processing and those information can be proceed into a scientific paper.

## **RESULT**

MIOP (Micro algae Integrated Offshore Plant) is a *pilot plant* that produces Biodiesel fuel from micro algae "*Nanochloropsis Oculata*" in offshore areas. Pilot plant that has been designed is a combination by some processing plants such as cultivation of micro algae, pre-treatment process, and production process in one place (integrated plant).

Table 1: Comparison of Biodiesel Production from CPO and Algae

Compound	CPO	ALGAE
Vegetable oil	25 % (by total of composition)	30-40% (by total of
Productivity rate	8-12 years to produce fruit from early	8-14 days
Necessity	The biggest Palm oil plantation located in Sumatera (Deli) and Aceh by large of plantation area reach out 5.123 hectares can be support 7 % necessities of national CPO. (Fauzi <i>et al.</i> , 2002)	10 million acres of algae (1 acre= 0.4646 hectares) can produce biodiesel that will exchange all of diesel necessities in United states (Oilgae.com, 26/12/2006)
Productivity	20 years	Regeneration at the short time
Area of Cultivation	Large area of plantation	Needs imitation waters or

*Nanochloropsis Oculata* is a potential algae to be utilized as alternative source, being cultivated in waters and to prevent the contamination by notice chemical and physical properties that is suitable by *nanochloropsis Oculata* species. The cultivation of micro algae will produce *Nanochloropsis* which is ready to be harvested . It can be proceeded in a plant into biodiesel fuel as diesel alternative. Cultivating micro algae and biodiesel pilot plant has been designed and operated in offshore areas so that MIOP doesn't narrow shore areas because MIOP is located in offshore areas. (about 20-30 meters by coast line).

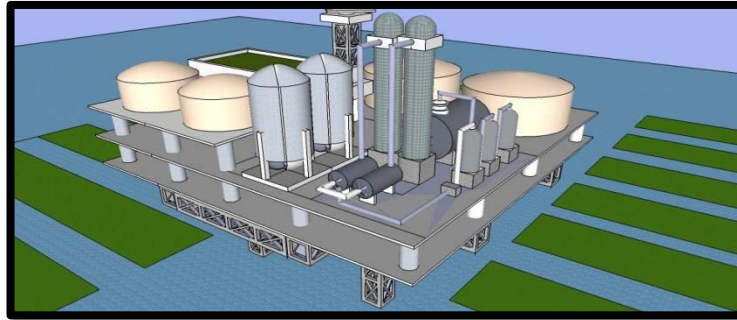
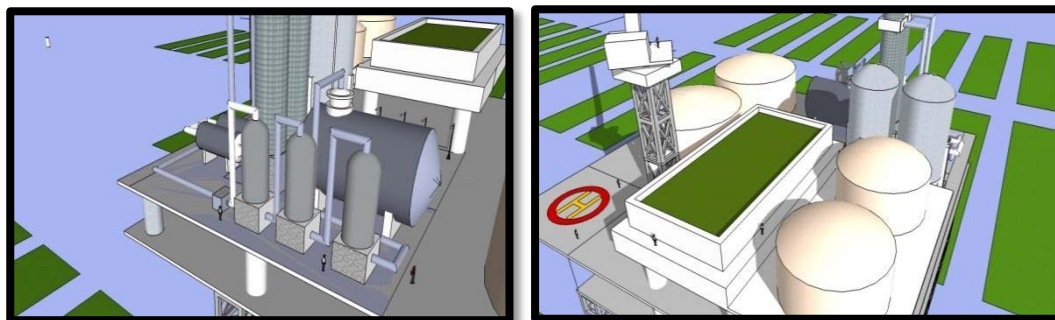


Figure 1: Layout of MIOP

Presently, there are no plants that produce biodiesel from micro algae as a feed stock in Indonesia because of limitation number of micro algae and low technology as well. Although the up to date research has been proved that micro algae as 3<sup>rd</sup> generation of biomass which has a potential to be developed as biodiesel, even it was predicted can obtain oil 200 times more than palm oil and another feedstocks. Some of Important components in MIOP such as:

1. Cultivation land of micro algae. Currently the most efficient land is offshore areas, retrieve that Indonesia is the 4<sup>th</sup> country in the world that has longest coast line.
2. Feed storage to collect N.Oculata that has been harvested.
3. Drying Glass is a green house to dry N. Oculata that has been harvested.
4. Biodiesel Plant is a plant to produce the biodiesel where as Chemical and physical reaction occur.
5. Storage tank for biodiesel storage from plant of production MIOP.
6. Container is a transportation tool that used to crop biodiesel product, feed stocks, and raw materials such methanol, catalyst, etc. Container usually be used if MIOP location is too far from stationery.



(a)

(b)

Figure 2: (a). MIOP Plant , (b). Feed Storage of MIOP





Figure 3: MIOP Location in Offshore Areas

### **Strategic steps for implementation ideas**

#### **1. Review of construction site**

As the realization of development steps, MIOP shall be established in Southern Lampung district. Southern Lampung district is an area that has a potential land in marine affairs, it has coast line about 247,76 kilometers, the large area of sea about 173,347 Hectares, and 51 islands with beneficial things for serious development. MIOP shall be established in teach village such Ketapang village, Legundi village, Tridharmayoga village, Sumur village, and Ruguk village in Ketapang sub district, Bandaragung village, Sragi sub district, Totoharjo village, Bakauheni sub district as well, because 30 thousand hectares of land in three sub district are undevelopment. In the otherwise those villages have been known as seaweeds producer in a large amount because the condition of southern lampung's waters is suitable for *N Oculata* lifes.

#### **2. Stage of plant design and construction**

The construction of MIOP involves various side that has beginning from seaweed farmers which belonging to the association of Indonesian seaweed farmers, the society around the shore will be a worker in MIOP and some of scientist, master of civil engineering is needed for establishment a plant. Master of chemical engineering, mechanical engineering, and electrical engineering are needed to design the process of production and develop plant of biodiesel. The master of bio process engineering is needed for cultivation of micro algae as well.

#### **3. Monitoring stage, design of regulation and socialization development**

Making of regulation which has regard for national energy necessity can be considered in license to provide building. The Government's role, especially department of marine and fisheries also involved in bureaucracy of MIOP. As link between researchers and businessman is really needed. Socialization of profit that will be obtained if application of MIOP technology would have been committed. The society as consumer have to give the critics and advices on the course of production. Furthermore control of society at the condition of energy necessity can

make MIOP as alternative way which is survive for a long time, sustainable, and efficient.

## DISCUSSION

There is some eminences that will be obtained from project construction of MIOP, in order to increase productivity of biofuels in Indonesia by some sectors, such as:

### 1. Land

Biodiesel production that has been done at the present still rely on agricultural land. Small area of available land will affect biodiesel productivity more than what has been targeted. Based of the problem, to increase the productivity needs a big land. So that the opening of new areas has been done continuously and made bigger deforestation. If we calculated with target of biodiesel necessity in 2013, as many as 1,2 million kiloliters/year where as 1 hectare of palm oil plantation only produced 5.900 kiloliters/year, it means a number of land area about 203.389,8305 Hectares. Biodiesel necessities as many as 1,2 million kiloliters can be produced only with large of area about 20.442,93015 Hectares by MIOP. Seems of the advantages that there are lands of waters area which has not been utilized and the large area of Indonesia's coast line is compared by large area of land which making MIOP to be right technology to increase biodiesel production in Indonesia. Furthermore, the procurement of offshore areas will reduce rivalry of vegetable oils for food necessities and vegetable oils for energy necessities. Considering to United Nations prohibition about edible oils as alternative energy.

### 2. Feed Stocks Distribution

Currently Biodiesel production has been cropped by container. It needs time about several days in order to feed stock can be transferred to the Biodiesel factory. The problem of this case is making unefficient production because of long time that's needed to distribute all the feed stocks. Furthermore carriage of raw materials by land transportation will need high operational cost. If it's assumed that each truck can carry 20 tons of palm fruit wherein each kilograms is Rp.500,-, so that transportation cost each truck is Rp.1.000.000,-. In 20 tons of palm fruit only can produce 25% vegetable oils by Total composition, it's about 5 tons (5681,8181 liters). As known that based from the research, total conversion of optimum biodiesel is about 80%, it means 1 truck that carry 5 tons vegetable oils only can produce 4545,4545 liters of biodiesel. If this calculation was compared with the government's target of biodiesel production about 1,2 million kiloliters/year, it means 264.000 container is needed. If it's multiplied by carrying cost for each trucks is about Rp. 1.000.000,-, so that we have to pay the cost about Rp.

264.000.000.000,- only for raw materials transportation. Based on the problems establishment of MIOP in off shore areas means in order to distribution and transportation of feed stocks is closer with production plant. It'll affect of operation more efficient which is expected to save operating costs and increase the potential of productivity.

### 3. Productivity

Based on the research, 1 hectare land of micro algae can be produce biodiesel about 58.700 liters/year. If it's calculated by southern lampung water areas which became a strategic place of MIOP development by 30 thousand hectares of vacant land in three districts that have not been developed at this time, the total production of biodiesel can be obtained into 1.761 billion liters / year. In other words, 30,000 hectares of vacant land in southern Lampung waters have been able to supply more biodiesel national necessity 1.4 times more than the expected government's target of biodiesel production in the amount of 1.2 billion liters / year. Even with that figure, southern Lampung has been able to export biodiesel to international necessities. If the entire territory of the waters in Indonesia do the same thing, thus biodiesel from micro algae could be a commodity for international trade beyond necessities of domestic biofuel.

**Table 2.** Comparison of Current National Biodiesel Production and MIOP

Criteria	Current National Biodiesel Production	MIOP
Land	Using land transportation which closer	Utilizing vacant land in offshore
Feed Stock	Not actual , slow production and high	Actual, fast production and low
Productivity	601.036 kiloliters/year (total of current national production)	1.761.000.000 liters/year (only 30.000 Hectares vacant waters in Southern Lampung)

## CONCLUSION

1. MIOP or *Mikroalgae Integrated Offshore Plant* is a pilot *plant* that produces biodiesel fuel from micro algae "*Nanochloropsis oculata*" in offshore areas.
2. MIOP is very potential to be established in Southern Lampung district. It's a region that has good potential in marine and fisheries sector. It has coast line about 247,76 kilometers and waters about 173,347 Hectares, 51 islands with high potential for serious development.

3. MIOP technology can increase the productivity of biodiesel about 200 times instead of current technology of biodiesel production.

## REFERENCES

- Anonim. 2012. *Pengembangan Energi Baru Terbarukan Guna Penghematan Bahan Bakar Fosil Dalam Rangka Ketahanan Energi Nasional*. Jurnal Kajian LEMHANNAS RI Edisi 14, Desember 2012. Jakarta.
- Brown, H.C., M.J. Wynne. 1997. *Introduction to the Algae*. Second edition. Prentice-Hall. Inc. Englewood Cliff. New Jersey.
- Hasbullah, 2014. *Energi Biomassa, Biogas, dan Biofuel*. Makalah Presentasi Mahasiswa, Jakarta.
- Fachdian, A. W. 2005. *Diktat Kuliah Budidaya Pakan Alami*. Fakultas Perikanan Universitas Brawijaya. Malang. hal. 3-48.
- Fauzi. 2002. *Pabrik Biodiesel dari Minyak Alga Nannochloropsis sp. dengan Proses Transesterifikasi Katalis Basa*.  
Online:<http://webcache.googleusercontent.com/search?q=cache:http://digilib.its.ac.id/public/ITS-NonDegree-16878-2308030009-Chapter1.pdf>. (Diakses tanggal 22 Januari 2013).
- Graham, Walcox, E. 2000. *Cell Division. Physiology and Biochemistry of Algae*. Academic Press. New York and London.
- Mukhtar, A.Pi, M.Si, 2012, "Garis Pantai Indonesia Terpanjang Keempat di Dunia" Kementrian Kelautan dan Perikanan Nasional, Jakarta.
- Sachlan, M. 1982. *Planktonologi*. Fakultas Peternakan dan Perikanan Universitas Diponegoro. Semarang.
- Knoth, D., A. E. Richmond, Z. Dubinsky and S. Aaronson. 2008. *Alga Nutrition*. In : A. Richmond (Eds). *CRC Handbook of Microalgal Mass Culture*. CRC Press, Inc. Florida. p. 147-198.
- Zuhdi, W. A, J. Pribadi dan Kurniawan. 2002. *Plankton di Lingkungan PT. Centralpertiwi Bahari. Suatu Pendekatan Biologi dan Manajemen Plankton dalam Budidaya Udang*. Lampung. Mitra Bahari. hal. 3-29.

# ASEAN JAPAN COMPREHENSIVE ECONOMIC PARTNERSHIP AND ITS CONTRIBUTION TO SOUTHEAST ASIA REGIONALISM

*Ambar Retnosih Widyantini, MA<sup>1</sup>*

## ABSTRACT

*The aim of this paper is to show the interconnectedness between ASEAN and Japan in the process of Southeast Asia regionalism. This article try to analyze the contribution ASEAN-Japan relations in order to realize regionalism in Southeast Asia, as well as respond to the deepening and widening dilemma from the process of ASEAN integration, which is ASEAN has an important role as a driving factor of open regionalism in East Asia. The open regionalism policy provide options for ASEAN and its member states to establish a relationship with different regions and major countries in the world based on each strength.*

*Whereas Japan as one of the East Asian tiger has a significant role for economic development of Southeast Asia. Facts show that Southeast Asia is the largest market of Japan, increasing the role of Japan in leading Asian economies which aims to replace the influence of United States and China at once realize the Yen internationalization program.*

*Japanese strategy in cooperation called ASEAN Japan Comprehensive Economic Partnership (AJCEP) should be aligned with scheme of Japanese economic cooperations with each members; Economic Partnership Agreement (EPA). In case both of theme could synergize and develop effectively, this will create the region as a regional production base and advanced market. Efforts to reach a comfort level requires a long time because of the ASEAN +1 could even turn into a building block in achieving the ASEAN + 3.*

*The main purpose of this paper is to show the relationship between Japan and ASEAN in the process of regionalism in East Asia. ASEAN+3 (China, Japan, South Korea) cooperations is one of the major parts ASEAN members states towards regionalism Southeast Asia. States in the region have committed to establish exclusive regionalism which open with a partnership the main countries outside Southeast Asia region. Open regionalism policy be a challenge for Southeast Asia countries to build process of regionalism in depth and enhance cooperation with the main countries in the world, include cooperation between Japan with Southeast Asia.*

*The interaction between two specific regions (interregionalism) is very interesting to observed because it happen along with the growth of regionalism in Southeast Asia. Regionalism in this region is still weak until now. The situation of regionalism in East Asia as a whole has not been created. East Asia countries are particularly a commitment yet about integration in this region (Kathie Krumm 2004). Japan as one of the biggest*

---

<sup>1</sup> The writer is a lecturer at Department of International Relations, Paramadina University. Interest study includes Regionalism, Southeast Asia, East Asia, and Foreign Policy.

*economic player in this area has a hard ambitions and interest with the process of Southeast Asia regionalism. China emerging as one of the world major power become a major competitor with Japan in East Asia region, Southeast Asia and global.*

*This paper want to convey clearly what the Japanese contribution in the process of regionalism in East Asia. Japan as a real power and economy influenced in East Asia. National strategy and interest Japan also appeared in increase economic and political influence in Southeast Asia. Multilateral cooperation framework that shaped both ASEAN Japan Comprehensive Economic Partnership (AJCEP) and bilateral Economic Partnership Agreement (EPA) to improve economic relations between the two sides. The stronger economic power will increase political influence in Southeast Asia.*

*This paper will be divided into several parts. Its begins by discuss theoretical framework. There are two main theories used are; political economy and regionalism. This paper will discuss the relation between Japan and ASEAN, and how its contribution to regionalism in Southeast Asia. This article will describe the framework of cooperation between ASEAN Japan Comprehensive Economic Partnership (AJCEP) and the Economic Partnership Agreement (EPA) to see the effects of the cooperation on the process of ASEAN regionalism.*

**Keywords :** *Southeast Asia, Regionalism, ASEAN, Japan*

### **Framework Theory**

Focus analyze of this paper about the relationship between Japan and ASEAN. If we analyze there are two main interests of Japan include economic and political interests. Both of these interests is difficult to be separated as Japan as one of the world global hegemony. We use the conceptual of political economy. This concept about how the political battle between the winners and losers from global economic exchange that shapes the societies of make decisions about how to allocate the resources they have available to them. (Michael Barratt 1984). It examines how this political competition shapes the evolution of the international trade and monetary system. Strategy of political economy affect the ability of MNCs to conduct their operations and influences the development strategies government adopt. Competitive market has created regional and global. This market model was still seen by business player as a bargain in the market, based on profit from the production and sale of goods.

Two aspect of politic is used to explain the policy choices made by goverments and to understand the foreign economic policy. First; the interest or economic policy preferences of group of society come from. Interest are the goals or policy objectives that the central actors in the political system and in the economy; individual, firms, labour union, other interest groups and governments want to use foreign economic policy to achieve. Second, examine how political institutions

aggregate, reconcile and ultimately transform competing interests into foreign economic policies and a particular international economic system (Thomas Oatley 2005). Political decisions established the rules governing the political process.

To complete this article we will use the concept of regionalism. Region is defined as "two or more states that have interaction, in a geographical relationship, and similarities in ethnics, language, culture, history, identity or sentiment". Joseph S Nye defines the region as "mutual interdependence by a limited number of states that linked by geographical relationship (Nuraeni 2010 ).

While regionalism is a process of establishing an association between countries in the region basis. Regionalism refers to the formal economic cooperation and economic governance of the group of countries which aim to facilitate or promote regional integration. According to the dictionary of trade policy which terms developed by the WTO, regionalism explained as "actions by governments to liberalize or facilitate trade on a regional basis through free trade areas or unions.

There are some steps which are formal economic cooperation carried out by government, facilitated regional economic integration and limited to a geographical area. Economic integration is a process that run by a group of countries. Countries approved to remove sovereignty for economic purpose and create a larger market and interconnected each others. Integration mean an intensive process of cooperation which functional activities across borders, trade, investment, etc. Economic factor being reasons for choosing regionalism over multilateralism (John Ravenhill 2007).

Regionalism become an important concept because of some following; First, small scale will facilitate the negotiation process. Second, the regional proximity to many of the conditions like facilitate the negotiation process, making members have similarities in certain fields (racial, economic conditions and natural resources). Third, encourage consolidation of economic reforms with neighbouring countries. Fourth, the similarity of increasingly free trade rules.

New regionalism is regionalism that developed in the early 1990's, which was formed by the interaction of the multipolar. Regionalism is seen as an instrument to achieve a common goal, open and adjust to interdependent world economy (Arifin Sudirman 2010). "Open regionalism" was the term that came to describe Asia Pacific economic cooperation. It emerged from early Asia Pacific discussion of regional trade expansion with a precise meaning, removal of barriers and encouragement of regional cooperation without discrimination against outsiders (Ross Garnaut 2004).

Paul Bowles argued about the new regionalism in the 1990s which open regionalism. Whole of Southeast Asia countries closer with actors from outside the region and become a part of a broader regionalism example ASEAN + 3, APEC, ASEM etc. Characteristics of open regionalism; open membership, expanded, based

on a reciprocal relationship; members are committed to decrease external trade barrier and encourage liberalization. New regionalism have aimed deeper integration. To support it, they arrangement equal rules (different adjustment periods) for all nations (Chong Li Choy 1981 ).

New regionalism is multidimensional and comprehensive include various aspects. It also because of September 11 event which terrorism is a significant security. Security threats are not limited by a state and linked to culture and economic aspects. Non state actors involved in the interaction region (Nuraeni 2010 ).

Based on those conceptual stances, this paper argues Asian economic integration happen because global institutional environment changes and their impacts on the region (Fukunari Kimura). Foreign direct investment flowed into Southeast Asia countries. Economic conditions in Southeast Asia countries interconnected with the global economy. Transnational regional countries support economic growth and integrate the region into the global economic growth trade economy. Investment play a vital role in domestic trade and structural economic development of Southeast Asia countries. The regions are crucially linked to open trade and investment. Southeast Asia states interest to strengthen linkages both within the region and with trading linkage both within the region and partners outside. States with "new open regionalism" will lead the integration process not only in trade in goods but also in constructing a new international economic order for the globalizing era.

Regionalism in Southeast Asia possibly reveal the power relations in constructing economic regionalism in Southeast Asia. The policy choices towards regionalism, therefore, are not exclusively based on technical strategic considerations. They are embedded in and the complex relations of power and interest in the domestik regional global spectrum.

### **ASEAN Plus Three**

ASEAN + 3 (South Korea, China, and Japan) was first formed as a preparation to attend ASEAN Europe Meeting at 1996. The process is based on the joint statement among the government leaders or ministers. ASEAN +3 established with the reason interdependence and complementary primarily in the areas of trade, investment, and technology transfer. Influence a strong political will carry out mutually beneficial cooperation in East Asia. The emergence of challenges as a result of globalization and interdependence. Prime Minister Zhu Rongji in Brunei Darussalam, November 2001 proposed that the mechanism ASEAN + 3 improved cooperation in the field of trade, investment, finance, science and technology, information, environmental protection, development and regional economic integration (Donald E Weatherbee 2009).



There is a collective bargaining, employer in a union organisation with state strongly to one dimension between national coordination and corporatism. ASEAN plus 3 cooperation evolved into equal partnership and considers ASEAN plus three countries as an important organization in Southeast Asia.

MNC have a significant role in regionalism. ASEAN integrated due to the needs of company in which the ASEAN countries have many advantages include raw materials and cheap labor. This region is a good place for company from Japan, South Korea and China. ASEAN consists of some states that have diverse natural resources, strategic geographic, economic region continue to increase. Homogeneous culture and an open to the state from outside Southeast Asia region. So that this region become interest countries to establish economic cooperation policy.

The concept of ASEAN as a driving force in cooperation with other regions (interregionalisme) which is used by another political actor as an idea that has always voiced by the leaders of ASEAN. ASEAN as a driving force concept is contained deepening and broadening strategic in Joint Statement of the ASEAN - Japan Summit, ASEAN Japan strategic partnership in Kuala Lumpur, 2005. Point to 14 in the Joint Statement is written;

“We acknowledged that the East ASEAN community is a long term goal that would contribute to the maintenance of the peace, security, prosperity and progress in the region and beyond. In this regard, we will continue to actively promote cooperation under the ASEAN plus three process and enhance dialogue on broad strategic, political, and economic issues of common interest and concern through the East Asia summit with ASEAN as driving force ([www.asean.org](http://www.asean.org))

The concept of ASEAN as driving force also demonstrated by ASEAN has unanimously offset strength and a strong bargaining position with China. Acclamation states- members represent the shared values of democracy. Values of democracy used by the Japanese as a good starting point for countervailing power of China. Besides that being the best step for ASEAN in the face China rise and India as great power. ASEAN still has a strategic interest in the region to develop a multilateral regionalism through various forums such as the ARF, ASEAN Plus Three, and East ASEAN Summit.

### **Dynamic of East Asia Region**

Flows of foreign direct investment in East Asia came from Japan and other economic actors in a specific area of the newly industrializing economies (Hong Kong, Taiwan, South Korea, China). The main foreign investors in the world economy, Japan is receptive of other economic actors who develop economies and developing countries.

Then, the phenomenon of China rise as regional and global actor. China will replace Japan's role and position not only in economic terms but also military since

2006. China replaces Japan's growing steadily in formation "*Flying Gees for The Second Stage*" after 2009, especially lead some countris and change other Asian economies constellation (Zainuddin Djafar 2008).

The interaction among East Asia countries and cooperation from outside region so that emerging interdependence, common interest and the regional community. However, internal resistance from various political aspects that have been going on for many years happen in the dynamic East Asia Region. These obstacles include the lack of trust government with their historical factors of Japanese imperialism and suspicious attitude towards the emergence of two major powers between China and Japan.

Another problem is the border dispute and security issues. East Asia as an entity is very difficult to do because of some factors which become the barriers among three countries. Competition between two countries, China and Japan take many forms, especially trade relations. Japan rejected China's demand to open up market access in agriculture, fisheries and forestry. Japan worried about a product of Southeast Asia would depress Japanese farmers are the majority supporting the Liberal Democratic Party. Japan was not interested in providing assurance becomes the main actor in addition to China (CPF. Luhulima 2011) Japan and China perceive Southeast Asia as a strategic area for economic improvement.

Japan China compete fiercely in the context of ASEAN economic cooperation. It's reasonable considering China and Japan have the same orientation for search raw natural resources. Japan has become an economic partner of ASEAN since 1970, within the framework of investment, export-oriented industries, and trade. While China has really become a great economic as foreign direct investment from Japan. Both have great expectations that Southeast Asia becomes one market of their products ([www.reuters.com](http://www.reuters.com)).

Table. 1. The agreement ASEAN+3 ( Jepang, China dan Korea Selatan ) East Asian Free Trade Agreements (ASEAN+3 Countries) Partners

Negotiating	Under	Signed	Under	Propose	Total	Inside	Outside
	menta		on				EA
	tion						
	6						
Brunei Darussalam	8	0	2	4	14	6	8
China, Republic of	10	1	6	8	25	9	16
Japan	11	0	5	6	21	11	10
Korea, Republic of Dem. Rep.	6	1	9	10	26	8	18
Myanmar	6	1	2	2	10	5	5
Philippines	7	0	1	4	12	6	6
Singapore	18	3	10	4	35	8	27
Thailand	11	0	7	6	24	9	15
Viet Nam	7	0	3	3	13	6	7
Total	40	10	43	32	125	23	102
Under						16	24
Signed						1	9
Under negotiation						1	42
Proposed						5	27

Source: Asia Regional Integration Center. FTA Database. <http://www.aric.adb.org>

Cooperation ASEAN+3 is regarded safe, because the reconciliation of Japan and China. Some Japanese interests are considered clash with the interests of China are: 1. Increase trade and investment 2. Access raw materials and energy sources 3. Japan maintain influence in ASEAN, while China increase power in Southeast Asia. The Japanese influence has been formed since colonialism era at Southeast Asia until ASEAN established community.

ASEAN established cooperation with 2 framework; first, ASEAN plus 3 (China, Japan, South Korea), and second, ASEAN+1+1+1 that is between ASEAN and each country. Strategies directed to mutually reinforce one another. In the field of economic and trade cooperation, ASEAN+1 being a building block in reaching cooperation plus 3. So East Asia countries require a long time to reach a comfort level.

### **The Role of Japan in Southeast Asia Regionalism**

Southeast Asia is an important part of the global strategy of Japan industry. This region is an important production base for Japan to maintain competitiveness in the international market. Japan has a global strategy by using the region as a production base for export to Europe and the United States.

Japanese integration with Southeast Asia is also required for the benefit of natural resources. Prime Minister Shigeru Yoshida at 1952 speech: "With respect to trade promotion, the government shall carry out the economics diplomacy". Broadening and developing trade opportunities by increasing overseas merchant ships, strengthening export industries and utility foreign currency reserves. In so doing, we will particularly develop economic linkages with Southeast Asia Countries. The importance of Southeast Asia to Japan seen from Japan systematic efforts to build a strong relationship with ASEAN. Since the year 1977 - 2004 Japan has made 3 doctrine to forge a relationship with ASEAN.

Prime Minister of Japan, Takeo Fukuda announced the first time foreign policy doctrine proposed by Japan in relations with Southeast Asia in 1977. Fukuda doctrine involves three important things. First, the Japanese rejection of the use of military force because of the trauma of imperialism in the history. Second, consolidation of Japan's relations with partner countries that is based on the heart to heart. Third, Japan is an equal partner for ASEAN member states and try to facilitate the relationship between ASEAN . (<http://www.mofa.go.jp>).

Contents Fukuda doctrine provides the framework cooperation Japan - Southeast Asia made within a systematically and a foundation to enable relations between Japan and ASEAN. Japan became a strong country achieve technological progress, it's because of the condition of Japan is less support Tsutomu Kikuci states that;

“In spite of enormous economic power, the decade long economic recession deprived Japan of self confidence. The country is struggling to sustain its status as an economic superpower and to regain its economic influence. To deal with these challenges, Japan requires both traditional instruments such as military alliance and more broadly based regional coalitions among the countries in the region (Tsutomu Kikuchi 2006).

Democratic values is the keyword that is beneficial to Japan. Democracy that distinguishes China with Japan, India, South Korea, Australia, New Zealand. This is accordance with the ASEAN member countries values. ASEAN develop democracy values post cold war. Japanese history in Southeast Asia still correlation and became capital for Japan to give impression that Japan has a strong determination and sincere attitude to promote Southeast Asia compared to other hegemonic powers like the United States and Europe. The strategy called the Japanese soft approach since the war until the contemporary era.

Political economic cooperation between Japan and ASEAN was originally formed by the market mechanism. This is part of the strategy outward looking from Southeast Asia. Primarily refers to effort improve competitiveness in a globalized world. Intensive economic relations between Japan and Southeast Asia in turn creates deeper interdependence between both parties. It occurs when the Asian financial crisis of 1997. Southeast Asia states experienced a financial crisis but Japan difficult to assist the financial crisis in Indonesia, Thailand, and South Korea. The United States does not approve of the Japanese action After the Asian crisis in 1997, Japan has the desire to establish Asian Monetary Fund that aim to help Asia countries overcome the crisis. But the United States rejected the idea. This is an evidence that the United States has a great influence in the region. Japan apply the umbrella policy previously was still being part of such influence. United States convenient to use its influence through institution the International Monetary Fund. But economic crisis possess had a positive impact which make regional cooperation in Southeast Asia and East Asia tightly.

Japan's relations with Southeast Asia is very attractive. Prime Minister Koizumi expressed Japan as "What together and advance together". The purpose of a relationship with ASEAN is striving to achieve prosperity, peace and stability in the region. Japan's efforts improve relationship with ASEAN was shown January 14, 2002. When Japanese Prime Minister Koizumi Junichiro, Koizumi's statement called the doctrine that emphasized normative idea to act together and advance together with ASEAN in the case: First, improve and increase prosperity. Second, strengthen cooperation for the sake of stability. Third, cooperation emphasize prospects in the future (Emilio de Miguel 2013).

Japan focus on economic development, trade and infrastructure of Southeast Asian countries. Japan will assist ASEAN, especially in the realization of the Initiative for Development In East Asia (IDEA), Official Development Program, foreign direct investment and trade facilitation for the developing countries. Prime Minister Koizumi confirmed the intention of Japan to help implement "the initiative for ASEAN integrative" include consideration of IAI projects in bilateral multilateral mechanism.

ASEAN economic Ministerial meeting in Brunei, 2000 has formed the framework of forming the ASEAN Japan Comprehensive Economic Partnership. The purpose of this partnership, create a more comprehensive cooperation more than Free Trade Area. But its implementation adjust to the situation condition of each country include to counter Chinese influence in Southeast Asia.

### 1. ASEAN Japan Comprehensive Economic Partnership

Japan and ASEAN have signed a declaration ASEAN Japan Comprehensive Economic Partnership on November 5, 2002 in Phnom Penh. While the Framework for the CEP on October 8, 2003 in Bali. AJCEP was implemented in 2012 by considering economic levels and sensitive sectors in each country, include leniency for the five new member states of ASEAN. While the purpose of CEP to strengthen economic integration (Rahadian T Akbar 2011).

Economic partnership between ASEAN and Japan include implementation liberalization Trade. Some cooperation in other area such as financial services, information and communications technology, science and technology, human resource development, small and medium enterprises, tourism, transport, energy and food security ([www.asean.org](http://www.asean.org)).

Some agenda to implementation agreement like technical assistance, capacity building trade and investment promotion, investment policy dialogue, business dialogue, agreement about mobility of people (Yunling Zhang 2011).

ASEAN and Japan agreed to create a liberal and competitive environment, strengthen cooperation in investment, facilitate investment, improve transparency, and provide protection for investors and investment. Liberalization is directed toward progressive elimination of substantially all discrimination, expansion in depth and scope of services liberalization, facilitation of entry and temporary movement of business people, and enhanced cooperation in services.

This cooperation enhance the competitiveness of ASEAN and Japan in the world market through strengthened partnership and linkages progressively liberalise and facilitate trade in goods and services as well as create a transparent and liberal investment regime. Members will commit with the WTO rule. Japan as a power country assist a new member and ASEAN members States that still underdevelopment. ASEAN member states have different level economy bridge the

development gap among the ASEAN countries. There are some countries who are not members of the WTO. It being challenges and barriers to implementing liberalization and increase integration in Southeast Asia.

## 2. Japan Economic Partnership

Scheme of cooperation ASEAN Japan Comprehensive Economic Partnership different from the bilateral Economic Partnership Agreement. Japan will negotiate concessions bilaterally in cooperation Economic Partnership Agreement. Economic Partnership Agreement designed to strengthen bilateral economic between Southeast Asia countries. Wide range of issues covered by the EPA include; tariff trade, investment and migration. ASEAN member States are not set design the country's trade liberalization on a bilateral basis between Japan and ASEAN Member. But covered by the general rules of liberalization in the ASEAN Japan ASEAN Japan Comprehensive Economic Partnership.

## 3. Impact AJCEP Cooperation Against Southeast Asian Regionalism

The aim of Japan to build a stronger Southeast Asia through the idea of cooperation and trade liberalization. ASEAN Japan Comprehensive Economic Partnership being scheme to enhance regionalism in Southeast Asia. Implementation of agreement well make Southeast Asia be a stable and prosperous region for its own well being. Stronger Southeast Asia would make Asia as a whole more balanced, stable, and prosperous.

As a big region Asia being multipolar and some regional growth and increase. To make it stable and prosperous region, it must be balance each others. Some state and institutions established and growth includes Japan, China, South Korea, India and ASEAN. Now, China and India growth rapidly in economy, politic and military aspect. It need strategic meaning, vital and determined to create Asia stable. Japan which already has soft approach since colonialism era can take the opportunity and an important role.

Strategy soft approach according to the Japanese philosophy "Foreign policy begins at home"(www.mofa.go.jp). Japan will need a stable and active partnership with an emerging Community. Characteristic Japan enjoy a long term, stable, strong, and peaceful relationship with Southeast Asian countries for long years. Well relationship is strategically important for Japan's prosperity in the future. Japan emphasized the economic power to cooperate and not to use military force. Its create crucial meanings and brand for the Japan in Southeast Asia and global society.

After AFTA, liberalization main road to create integration Southeast Asia. Cooperation scheme ASEAN Japan Comprehensive Economic Partnership is a framework of political economy these two regions. One again, this cooperation supported by bilateral Economic Partnership Agreement with ASEAN state

members. One more method of cooperation that can not be left out, namely the ASEAN + 3, an open regionalism in Southeast Asia. Various schemes such cooperation is based on the main idea of liberalization.

Although implementation is still overlap in the effectiveness of efforts to support the growth of regionalism in East Asia. This partnership continue be implemented with fixing gaps that it lacks in cooperation. Trade liberalization in the form of ASEAN+3 and ASEAN+1+1+1 specially (ASEAN Japan CEP) speed up the process of regionalism.

The existence of regionalism in Southeast Asia give importance to Japan. ASEAN is a potential market that needs to be developed. In fact, this region is the largest market of Japan. Not only as a market products from Japan but also as place of investment. Southeast Asia is one of an attractive investment destination because of the availability of cheap labour, supporting the supply of raw materials and energy. Japan is considering expanding expansion into Southeast Asia with the aim of guaranteeing the supply of natural resources to meet the need for further economic development and ultimately build export markets for Japan. Business player from Japan can established companies at some zone economy.

International trade between Japan and ASEAN increase and impact promotion the establishment of yen internationalization program. The existence AJCEP simplify technical processes, procedures and implementation. Scheme of cooperation between ASEAN Japan Comprehensive Economic Partnership create a legitimate partner. Japan need to gain legitimacy by leading and being endorsed by its partners and neighbors. The competition today is not simply over power itself, but a more subtle competition for legitimacy, which defines accumulated power.

As a leader in economy, political strategy cannot be separated. ASEAN Japan Comprehensive Economic Partnership expand its political influence in Southeast Asia. Japan has managed to build up the strength of its political influence in Southeast Asia until now. Interests and advancement of the Japanese economy has not been able to provide a dominant influence on the political side. The existence of unconformity economic development and international trade. Japan is difficult to have a political agenda that can overstep the interests of the United States in Asia and ASEAN. Japan is also considering the political economy of China's influence in Southeast Asia.

## **Conclusion**

Open regionalism is needed in a multipolar international political circumstances. International relations at the present time is characterized bilateral and multilateral cooperation relations. Tendency of regionalism has grown and developed in various regions of the world, including in Southeast Asia. ASEAN as a



political institution and institutionalized in the Southeast Asian region has been undergoing a transition towards a community with three pillars of economic, political and security as well as socio-cultural. Trend of regionalism is necessary to enhance international cooperation, power and political bargaining.

Process of regionalism in Southeast Asia is growing gradually. Southeast Asia countries cooperate closely to shape stronger Southeast Asia Region. The next strategy is open regionalism, cooperation between Southeast Asia and East Asia region. ASEAN Japan Comprehensive Economic Partnership and Economic Partnership Agreement is a framework of cooperation across the region to strengthen integration in Southeast Asia.

ASEAN Japan Comprehensive Economic Partnership and Economic Partnership Agreement aim to create harmony in Southeast Asia, stable, balanced and prosperous. These scheme of Cooperation have aim to strengthen and enhance trade cooperation on both sides as well as to develop mutually beneficial cooperation in the form of economic integration. Trade liberalization reducing trade barriers, increase the volume of trade and production through economic integration. Economic integration encourage and facilitate investment flows from one country to another.

Cooperation pattern AJCEP and EPA is still one economic liberalization framework of cooperation between Japan and Southeast Asia countries. Only EPA has different framework that bilateral cooperation between Japan and Southeast Asia countries. A part of ASEAN member countries have signed Economic Partnership Agreement. Japan Economic partnership agreement has cooperate with six ASEAN countries (Singapore, Thailand, Philippines, Malaysia, Brunei and Indonesia). Southeast Asia countries will get facility, grants (ODA) and potential market access through cooperation EPA. Japan has one of the biggest importer of goods, raw materials and energy from Southeast Asia.

One of the obstacles faced by ASEAN today is the pattern of ASEAN+3, ASEAN+1+1+1 (AJCEP and EPA) still overlap in implementing the agreement. In general, the cooperation between East Asia and Southeast Asia refers to the rules of trade liberalization. According to the analysis, the pattern of more specific bilateral cooperation EPA explore the resources and potential of each country. So that the implementation of trade cooperation is not necessarily the same and impact on economic development give different results.

Obstacles encountered in Southeast Asia countries are also associated with different levels of ASEAN member countries economy. Until now there has been all ASEAN member states are members of the WTO. In this regard, Japan provided assistance in the form of economic assistance ODA to promote economic development so that the country is ready to implement trade liberalization. This is why efforts to achieve the goal of economic integration in Southeast Asia countries

gradually and implementation of bilateral and multilateral cooperation are not mutually aligned.

## LIST OF REFERENCE

### Book

- Akbar, Rahadian T, *Ekonomi Politik Kemitraan ASEAN: Sebuah Potret Kerjasama*, Yogyakarta, Pustaka Pelajar, 2011.
- Barratt Brown, Michael, *Models in Political Economy: A Guide do The Arguments*, 1984.
- Djafar, Zainuddin, *Indonesia, ASEAN & Dinamika Asia Timur: Kajian Perspektif Ekonomi Politik*, Jakarta, Pustaka Jaya, 2008.
- Krumm, Kathie, *East Asia Integrates: A Trade Policy Agenda for Shared Growth*, Washington, World Bank, 2004.
- Kikuchi, Tsutomu, *Japan in an Insecure East Asia Redefining its Role In East Asian Community*, Southeast Asian Affairs, 2006.
- Li Choy, Chong, *Open Self Reliant Regionalism: Power for ASEAN'S Development*, Singapura, The Institute of Southeast Asian Studies.
- Luhulima, CPF, *Dinamika Asia Tenggara Menuju 2015*, Yogyakarta, Pustaka Pelajar, 2011.
- Nuraeni, *Regionalisme dalam Studi Hubungan Internasional*, Yogyakarta, Pustaka Pelajar, 2010.
- Oatley, Thomas, *International Political Economy: Interest and Institutions in The Global Economy*, Pearson Longman, 2005.
- Ravenhill, John, *Global Political Economy*, New York, Oxford University Press.
- Sudirman, Arifin, *Regionalisme dalam Studi Hubungan Internasional*, Yogyakarta, Pustaka Pelajar, 2010.
- Weatherbee' Donald E, *International Relations in Southeast Asia*, United Kingdom, Rowman & Littlefield Publisher, Inc, 2009.
- Zhang, Yunling, *The Status of East Asian Free Trade Agreements*, 2011.

### Journal

- Garnaut, Ross, *A New Open Regionalism In The Asia Pasific*, International Conference on World Economy, Mexico, 2004.
- Miguel, Emilio de, *Japan and Southeast Asia: From The Fukuda Doctrine to Abe's Five Principles*, UNISCI, 2013.

### Internet

- <http://www.asean.org/archive/publications/APTDS20052010.pdf>  
<http://www.reuters.com/article/2014/04/18/us-japan-china-investment->

idUSBREA3H08N20140418 [http://www.mofa.go.jp/policy/other/blue-book/2014/html/chapter2/cp2\\_sf1.html](http://www.mofa.go.jp/policy/other/blue-book/2014/html/chapter2/cp2_sf1.html)

<http://www.asean.org/communities/asean-economic-community/item/asean-japan-free-trade-area-2>

<http://www.asean.org/images/2013/economic/afta/AJFTA/1-%202003%20-%20Framework%20for%20CEP%20between%20ASEAN%20and%20Japan.pdf>

“Hand in hand, facing regional and global challenges,” Joint Statement of the ASEAN-Japan Commemorative Summit, December 14, 2013, <http://www.mofa.go.jp/mofaj/files/000022451.pdf>.



**CHAPTER III:**  
**SOCIAL, CULTURAL & MEDIA ISSUES IN**  
**ASEAN INTEGRATION**



# CONFLICT PREVENTION THROUGH ASEAN SOCIO-CULTURE COMMUNITY (ASCC): THE POWER OF ITS PEOPLE, IMPACT FOR REGIONAL PEACE AND SECURITY<sup>1</sup>

Emil Radhiansyah, M.Si & Jerry Indrawan, M. Si (Han)  
International Relations Study Program University of Paramadina, Jakarta

## ABSTRACT

*In the end of 2015, ASEAN Community will be fully implemented in Southeast Asia. The community will bring ASEAN countries to the next stage of cooperation in order to bring prosperity to the region. However, several obstacles still have to be faced by ASEAN. Territorial dispute between Indonesia and Malaysia, Thailand and Cambodia concerning Preah Temple, Malaysia with The Phillipines over Sabah, etc are some of the problems. Other problems related to South China Sea, even involving five ASEAN members on dispute. Although it is clear that member of ASEAN countries agree to settle their problems according to ASEAN mechanism as the most respective organization in the region, on several occasions they prefer to take it bilaterally or bring it to the Hague. The assumption of non-interference principle as the organization conflict solving mechanism does not apply accordingly. As such, we have to find other ways. Peace can only be achieved through closer relations between ASEAN countries. Closer relation creates better understanding between people within those countries. If "high level" (G to G) conflict resolution does not work, we have to turn to the people. Closer relations among its people will be a "grass root" power to force the government to end their dispute. This paper will examine how ASEAN Community will work in creating closer relations among ASEAN countries, especially using the pillar of ASEAN Socio-Culture Community (ASCC), in order to solve disputes in the region.*

**Keywords:** ASEAN Community, ASEAN Socio-Culture Community, Dispute, People Power.

## Introduction

ASEAN is an organization, also a community comprise of races, languages, religions, and connected with historical closeness and bond. Cities in ASEAN gives a little clue about its harsh past. Skyscrapers now stands on the site that was once destroyed by war and prolonged conflict. Spread over an area of 4.48 million km<sup>2</sup> with a population of more than 540 million inhabitants, consist of indigenous

---

<sup>1</sup> Written by Emil Radhiansyah, M.Si & Jerry Indrawan, M. Si (Han), both are lecturer in International Relations Study Program University of Paramadina, Jakarta.

people, immigrant, etc. As a region, ASEAN offers a rich diversity of talent, tradition, resources, and opportunities (Kotler, 2007: 5).

Although formally ASEAN is an organization of economic cooperation, social, and cultural, but the backgrounds and aspirations of the early Bangkok Declaration is a part of political commitment of member countries to unite and work together in the face of Southeast Asia, at the time was marked by upheaval and disputes between countries, especially between Indonesia and Malaysia, as well as between non-state forces outside the region. Political aspirations underlying the Bangkok Declaration was essentially an effort to realize the regional stability that can support national development in all fields for the member countries of ASEAN.

The founders realized that among ASEAN countries there are differences in historical background and political attitudes as well as the fact that in most countries, there are competition to compete as commodity producers. Therefore, sometimes ASEAN can be very pragmatic. Although they are competing, ASEAN growth is actually running in slow fashion. ASEAN requires mutual understanding and eliminate mutual suspicion among members to establish cooperation, that are on course to be developed into a better direction.

We need to realize that ASEAN is a regional organization, living in a single association based on common interest. Equality in membership is one of the principles in this cooperation. This regional cooperation is not to be integrative, instead cooperative. ASEAN member countries are still fully sovereign to the inside or outside. While the main foundation of this cooperation is the consensus to help each other for the sake of common interest.

## **Theory**

Conflict between states has been seen as form of conflict of interest between states, realised or not conflict is undeniable. National interest is an implementation of policy that taken by the state as the consequence geography of the state, the terrain from the geography itself, the natural resources, and the character of its people (Lentner,1974). Those three form a perception of threat and goals of the states, implied in the pattern of policy making in the political system of the society. These situation known as situation of anarchism as the main stream scholars debate on it. The debate on anarchism in international system increased as scholars tries to solving how to eliminate it. Some reject the elimination of anarchism as it is assumed as a given situation, while other believe that the anarchism situation could be avoid through cooperation that creates toward peace situation.

Classical theory on peace motorized by Galtung explained the "Positive and Negative Peace" concept. Nowadays, peace condition is still dominate by the negative peace. Galtung explained that peace is a condition without violence which is not a personal or direct spatially but also structural and indirect spatial. Galtung stressed that a peace condition is a condition without violence and unjust in the society. (Castro and Gallace, 2010: 19).



While on positive peace, Galtung mentioned the must have good relations and just on all aspect of life, social, economy, politic, and ecology. By then, the structural violence such as poverty and hunger, the socio-culture violence such as racism, sexism, religion intolerance or ecological violence such pollution and over consumption could be avoid. According to Galtung the Positive Peace condition should be achieve after the Negative Peace Condition, with no physical violence, macro or micro, such war, torture, as well as violence to children and women (Castro and Gallace, 2010: 21). However, as non direct violence does not exist, structural violence still exist and give a way violence to the surface and harming peace (Webel and Galtung, 2007: 6).

Man lives in groups as a unity and form a unic identity between them. These identity sometimes creating problems between man in the context of interaction in order to achieving their interest. These situation exist as culture follows to the existance of the power (Avruch, 1998: 310).

Huntington pointed out on values in the societies as races matter, ethnicity, culture identity and other social grouping (Avruch, 1998: 305). Conflict often assumed as negative form of situation, made unstable situation, while on the other side conflict is believe as a positive process to a better changing, as for that conflict should be acknowledge its presence as a usefull form for the societies.

There for Uri Savir (2008) mentioned that peace can only be achieved through cooperation and attitudes between societies of the conflict states. Uri savir seen the relations between man is influencing by the culture, social institutions and political process. The main power on creating peace is not on the central government but on the local government and mainly to the involvement of the Civil Society in process of peace making itself. Savir believe that youth as one of the factor on peacemaking plays an important role by placing coexistance as a common values in the society.

### **ASEAN Three Pillars**

On the 80's, ASEAN has already develop into a significant and integral parts of Southeast Asia. It happens because of ASEAN role in regional problems are significant and in large scale. In fact, countries around the world recognize ASEAN as the key to understand the problems of Southeast Asia. Therefore, ASEAN leaders at the December 1997 ASEAN Summit in Kuala Lumpur, decided to transform ASEAN into a stable, prosperous and highly competitive region, with uneven levels of economic development, as well as socio-economic inequalities and poverty eradication.

Since 2003, ASEAN's plan was to create three ASEAN communities (Economic, Security, Socio-Cultural), to some extent echoing the structure of the EU and the three European communities (Community of Coal and Steel, European Economic Community and Community of Atomic Energy), which became the 'European Community' in 1992. Also, of course, the EU was created by the Maastricht Treaty in the same year. It encompasses the Community (first pillar) and adds different forms of cooperation policy, the Common Foreign and Security Policy

(CFSP, second pillar) and cooperation in the field of Justice and Home Affairs (JHA, third pillar). These policies are intergovernmental in nature and though they have institutions in common with the European Community, equally they possess their own institutions and procedures (Henry, 2007: 869).

At the ASEAN summit in Bali, in October 2003, ASEAN leaders declared the Bali Concord II to jointly establish the ASEAN Community by the year 2020. The community includes three pillars, which are Political and Security Community, Economic Community, dan Socio-Cultural Community which intersect and encourage each other in order to support the creation of peace, stability and shared prosperity in the region (Cetak Biru Komunitas Sosial Budaya ASEAN, 2010: 9).

At the 12th ASEAN Summit, in January 2007 in Cebu, Philippines, ASEAN leaders reiterated a strong commitment to accelerate the establishment of an ASEAN Community by the year 2015, with the signing of the Cebu Declaration on the Acceleration of the Establishment of an ASEAN Community by the year 2015. In particular, the leaders also agreed to accelerate the establishment of the ASEAN Economic Community in 2015 and to transform ASEAN into a region where there is a free flow of goods, services, investment and skilled labor, and freer flow of capital (Cetak Biru Komunitas Ekonomi ASEAN, 2010: 7-8).

At the 13th ASEAN Summit, November 2007 in Singapore, the ASEAN leaders agreed to sign the ASEAN Charter, which marks the commitment of the Heads of State of ASEAN to build a shared community based on regional cooperation and integration. In line with this, the blue print of ASEAN Political and Security Community is adopted as a roadmap formation APSC 2015 (Cetak Biru Komunitas Politik dan Keamanan ASEAN, 2010: 5). In addition, the formation of a blue print of ASEAN Socio-Cultural Community also agreed to ensure the follow-up concrete in promoting the establishment of an ASEAN socio-cultural community (Cetak Biru Komunitas Sosial Budaya ASEAN, 2010: 9).

ASEAN Community with its pillars will play an important role of its part in the future of the complexity of international relation. ASEAN Political and Security Community was design to have an ability of sharing its norms, prevention and conflict resolution, and peace development through positive political increasement. ASEAN Political-Security Community is using to fight terrorism and transnational crime such as drug dealers and human trafficking (Cetak Biru Komunitas Politik dan Keamanan ASEAN, 2010: 18-19).

ASEAN Economic Community brings capital, goods, services and human resources to a single market and single based production. These kind of integration need an acceleration of free trade and businesses fassilitation, develop the Small and Medium Entrprises, and to gain investors to the ASEAN (Cetak Biru Komunitas Ekonomi ASEAN, 2010: 9 and 21-22).

ASEAN Socio-Cultural Community design to represent the interest of social and culture of the Peoples of ASEAN, as this region is movinf into economic integration and globalization. The resources will be located to the education sector, training, the development of science and technology, the creation of work fields and

social protection (Cetak Biru Komunitas Sosial Budaya ASEAN, 2010: 13-14). In this latter section, we will discuss more about ASCC, especially in terms of conflict prevention.

### **ASCC and Conflict Prevention**

There is nothing comparable for ASEAN; the submission of disputes to a third party and, a fortiori, to a tribunal would no longer be considered as an attack on, or an act inimical to, national sovereignty. In fact, for a long time, dispute resolution was understood as the re-establishment of social harmony, where there was neither winner nor loser, but rather the resolution of litigation settled on the basis of law. The opposite of the Community legal order, the ASEAN legal order is subject to fluctuations of interpretations of a political character carried out principally by the Member States, which leads to unique and very individualised solutions (Davidson, 2004: 167).

Moreover, ASEAN law is not always binding (see below) and for the moment deals very little with the rights of individuals. The ASEAN system has two institutionalised methods of dispute resolution, which are very different in their nature and their function. The first is an effort to resolve 'within the family' differences which could be qualified as 'political', or at least considered as such by the states and which could degenerate into armed conflict.

It is a voluntary, intergovernmental system, provided for by the Treaty of Amity and Cooperation in South-East Asia (TAC). In effect, if parties, who have a dispute or situation capable of affecting regional peace or harmony, so wish, they can submit it to the High Council, composed of one representative of ministerial rank from each Member State (Henry, 2007: 864). That is why dispute and conflict among ASEAN countries are difficult to overcome. We need different methods to solve and prevent conflicts from ever occurring. ASCC and the power of ASEAN people is the mechanism we like to offer to deal with the situation.

Before discussing about ASCC part in conflict prevention and resolution, especially related to the role of Civil Society Organizations, ASCC is actually reflects ASEAN's social agenda that is focused on poverty eradication and human development. It is linked inextricably with the economic and security pillars of the ASEAN Community. Social inequities can threaten economic development and in turn undermine political regimes. Economic instability can exacerbate poverty, unemployment, hunger, illness and disease. Social instability can emerge from environmental scarcity or the inequitable distribution among stakeholders of the use of environmental assets. Failure to address these critical and persistent social issues can further cause both economic and political dislocations.

The ASCC will evolve amidst profound changes that are taking place in ASEAN's social landscape. These include: (i) the rise of consumerism and lifestyle changes resulting from rapid economic growth; (ii) increased personal mobility resulting from advances in infrastructure and more open regimes; (iii) transformation of the family roles and structures, with implications on the care of

children and the elderly; (iv) the potential of information technology to enhance the speed and quality of learning and development of human skills, thus narrowing the digital divide; (v) the rapid pace of urbanisation and its impact on employment and the delivery of basic services; (vi) shifts in the labour market resulting from economic integration; and (vii) unsustainable exploitation of natural resources in the process of meeting developmental needs (ASEAN, 2014).

Embedded in ASEAN Vision 2020, Declaration of ASEAN Concord I (1976), Declaration of ASEAN Concord II (2003) and the Hanoi Plan of Action (HPA) is ASEAN's goal of a community of cohesive, equitable and harmonious societies, bound together in solidarity for deeper understanding and cooperation. ASEAN must evolve into a “community of caring societies”, and respond the issues of poverty eradication, equity, human development, and conflict prevention (Kraft, 2012: 14). There are five key features in ASCC.

First, equitable access to opportunities will be universal, rising above the barriers of religion, race, language, gender and social and cultural background. Second, human potentials are nurtured to the fullest, so that all individuals can participate meaningfully in a competitive world in a manner that gives paramount importance to their welfare and dignity.

Third, Norms of social and distributive justice are upheld by addressing issues of poverty and equity, and special care is given to vulnerable groups, children, youth, women, the elderly, and persons with disabilities, who could be the subject of abuse, neglect and discrimination. Fourth, the environment and natural resources are protected and man aged to sustain development and as a legacy for future generations.

The fifth is the most important of all, related to Civil Society Organizations. ASCC will encourage Civil Society Organizations to engaged in providing inputs for policy choices. In our perspective, we feel that ASCC provide the means to involve Civil Society Organizations in conflict prevention efforts. The steps undertaken by ASEAN states (government) must include Civil Society Organizations as an integral part of the conflict prevention or resolution efforts (ASEAN, 2014).

ASCC also inserting features, such as community interaction in their action plan. ASEAN citizens interact in a community conscious of its ties of history, aware of its cultural heritage and bound by a common regional identity. This kind of interaction between ASEAN citizens is the best way to solve or prevent conflict from occurring. One of the main problem in ASEAN is trust. With different race, religion, background, etc ASEAN people do not interact well between each other. There is no regional identity. ASEAN itself is not an identity, is an organization. What we need is one common identity to bind us as fellow ASEAN citizens, and as a community. We need to create ASEAN single identity. In doing so, we can resolve whatever problems that might come, because we already feel as one family.

Strengthening the foundations of regional social cohesion towards an ASEAN Community in 2020 is also part of ASCC action plan. With globalization, many of the region's traditional societies, with their cherished cultural norms and practices, are

facing new challenges. As ASEAN continues in its community-building efforts, the concern is how to fulfill its aspirations for progress and prosperity while at the same time preserving its rich cultural heritage. Thus, the ASEAN Community envisaged to emerge from regional integration by 2020 is where people, amidst the diversity of their historical and cultural experience, are conscious of a common regional identity. This sense of regional identity and solidarity will have been built on years of cumulative interaction in all facets of social and economic life and at all levels, communities, governments and civil society.

Under the ASCC action plan, the goal of creating an ASEAN single identity involves mainstreaming the promotion of ASEAN awareness, regional identity and values in national communications plans, educational curricula, people-to-people contact mainly through culture, arts and sports, especially among the youth, and the promotion of ASEAN languages learning through scholarships and exchanges of linguists. With ASEAN awareness, arising conflict will be minimum and ASEAN could achieve regional peace and security within there own region.

People' interaction is also seen here as they conduct contact through culture, arts, and sports. With the high level of interaction among ASEAN people, better understanding between them will happen. Related to people's interaction, social cohesion is a good way in building ASEAN single identity. ASCC was formed to create a desire to live together, a "we-ness" feeling. Thus, one of the main objectives of the ASCC is to maintain regional cultural heritage and forming ASEAN single identity (Henry, 2007: 874). With ASEAN single identity, the feeling of we-ness will help disputing ASEAN countries to end their conflict. ASEAN is one. Civil Society Organizations will play an important part in making ASEAN single identity.

It is very interesting to discuss about social and cultural aspect, especially if the market is youth. ASCC could facilitate ASEAN youth to take more active role in conflict prevention and resolution. They can create activities, events, discussions, and campaign on conflict issues. Such methods, starting from grassroots, is an effective way to be conducted as problem solving mechanism if the government does not do anything significant to prevent or stop the conflict. Therefore, ASCC must establish a forum to muster ASEAN youth to discuss conflict issues.

In addition, volunteering programs, such as the ASEAN Young Professionals Volunteer Corps Program, that was held to enhance the role and contribution of youth in ASEAN in the field of socio-cultural and economic development of the region, could be use also in terms of conflict prevention and resolution (ASEAN Cebtre for Biodiversity, 2013). ASEAN youth would be beneficial much from this program, especially in giving more knowledge about conflict prevention and resolution issues.

In the future, ASEAN single identity cannot merely talk about cultural identity. Learning from the EU, where the European identity is defined not only based on cultural aspect, but also has a political concept (Meyer, 2008: 103). Why? This is because if EU identity only culturally defined, it means only Christian or Catholic identity indicates the whole EU. During its development, the EU has

expanded (as also ASEAN) to consider the inclusion of Muslim countries, such as Bosnia and Herzegovina, and Turkey as a potential candidate for joining the EU (European Commission Enlargement, 2015).

ASEAN expansion brings multi-diversity. ASEAN not only belong to one culture or belief. That is why ASEAN youth could practice tolerance among ASEAN people and countries. Toleration is a key word to prevent conflicts from ever occurring. The culture of tolerance must be ASEAN culture, disseminating all across the region. In doing so, regional peace and security in ASEAN will be created.

Identity as ASEAN citizens should be based on solidity of each ASEAN countries tolerance culture, that will sustain ASEAN single identity. Democratic culture should be put as fundamental factors for the implementation of the ASEAN Charter and its three pillars. Eventually, ASEAN diversity will lead to “One ASEAN”, comprise of One Vision, One Identity, and One Community, and covered by principles of peace and secure regionalism.

### **Role of Civil Society Organizations in Conflict Prevention**

Youth and ASEAN tolerance culture are related to the power of ASEAN people. The power of it's people in this paper could be defined as the the role of Civil Society Organizations in ASEAN conflict prevention. Before that, we would like to give some understanding about Civil Society Organizations. Civil Society Organizations is an organizations outside family, non-governmental and non-market, organize themselves for specific purpose. Civil Society Organizations character can be classified based on type of membership, background establishment, as well as service-oriented or voluntarism Civil Society Organizations (Bappenas, 2011: 7). Further, OECD defines Civil Society Organizations as multitude of associations around which society voluntarily organizes itself and which represent a wide range of interests and ties. These can include community-based organisations, indigenous peoples' organisations and non-government organisations (OECD, 2007).

In the field of development, there is a tendency to associate non-state organization as a non-governmental organization (NGO). However, civil society are also include farmer associations, professional associations, organizations community, environmental groups, independent research institutes, universities, religious organizations, trade unions and non-profit media (Bapenas, 2011: 8).

Civil Society Organizations have also become important actors for delivery of social services and implementation of other development programs, as a complement to government action, especially in regions where government presence is weak such as in post-conflict situations. Perhaps the most valid example and visible case of Civil Society Organizations involvement in post-disaster (conflict) occurred in Asia during the post-Tsunami reconstruction after 2004, including the peacebuilding efforts after years of conflict between Indonesian Government and Aceh separatist.

Civil Society Organization's influence on shaping global public policy has also emerged over the past two decades. This dynamism is exemplified by successful

advocacy campaigns around such issues as banning of land mines, debt cancellation, and environmental protection which have mobilized thousands of supporters around the globe.

A recent manifestation of the vibrancy of global civil society has been the World Social Forum (WSF) which has been held annually since 2001 on different continents, and which has brought together tens of thousands Civil Society Organizations activists to discuss global development issues. Another example of the vibrancy and importance of civil society is the Global Call to Action Against Poverty (GCAP), an international civil society campaign advocating for debt relief and greater aid to poor countries. In 2008, GCAP is estimated to have mobilized more than 116 million citizens to participate in the Stand up against poverty events held in cities throughout the world (World Bank, 2013).

The civil society sector is not only emerging as a clear societal actor in many parts of the world, it is also quite varied in its nature and composition. For this reason definitions of civil society vary considerably based on differing conceptual paradigms, historic origins, and country context. The World Bank has adopted a definition of civil society developed by a number of leading research centers: “the term civil society to refer to the wide array of non-governmental and not-for-profit organizations that have a presence in public life, expressing the interests and values of their members or others, based on ethical, cultural, political, scientific, religious or philanthropic considerations. Civil Society Organizations therefore refer to a wide of array of organizations: community groups, non-governmental organizations (NGOs), labor unions, indigenous groups, charitable organizations, faith-based organizations, professional associations, and foundations (World Bank, 2013).

Above are some definitions and concepts about Civil Society Organizations from several sources. They works in various fields and always become productive counterparts for their government in their own countries. One of the global development issue is related to conflict prevention or resolution. Civil Society Organizations in ASEAN must cope with this challenge. In terms of conflict prevention, Civil Society Organizations works in many ways to promote peace between ASEAN countries. Hopefully, regional peace and security will be reached with the help of ASEAN Civil Society Organizations.

We realized the important interaction of ASEAN Civil Society role in the making of ASEAN Community which is “People-oriented” and “People-centered”. The interaction between ASEAN Civil Society is as a one possible way to prevent between countries conflict.

As ASEAN Charter said “we, the people” on its first line of word to mention the people of Southeast Asian Nations, there fore the leaders of nowadays of ASEAN and ASEAN Countries should have start work together hand in hands with the Civil Society around ASEAN. The initiative of working together is not hoping comes from the side of the government of ASEAN countries but also from the Civil Society Organizations, that proactively approache the sectoral body to give input on the side of people interest, including conflict prevention.

Civil Society Organizations in all ASEAN countries, could urge their own government to put forward diplomatic measures to solve conflicts with fellow ASEAN countries. The power of Civil Society Organizations lies on their neutrality and their comprehensive studies regarding to certain issue. Civil Society Organizations through its public realtions also play its role as a hub to give an information to the society on the progress of ASEAN Cooperation. And also pro actively involving societies paticipation in program of cooperation under ASEAN. One of their active role must be to participate in conflict prevention or resolution efforts, that usually a government domain.

ASEAN Peoples Forum (APF) is a yearly agenda in which involving the Civil Society Organizations of all ASEAN countries in many sectors such as, Education, Women and Children Empowerment, Human Rights, Climate Change and others. The result of the discussion will be a brief agenda on the ASEAN Leaders Summit with The CSO. Civil Society Organizations could work through this mechanism, on ensuring conflict prevention steps are to be taken by disputing governments. The APF meetings held in Jakarta evaluated the suggestions that already been given on ASEAN Summits and its actions (Kemlu, 2013).

As the ASEAN heads towards developing its Post-2015 vision of a people-centered and peaceful ASEAN, key members of civil society organizations see the crucial task for the regional bloc to strengthen their role in addressing the issues of regional peace and human security that continue to challenge the entire regional community. It is interesting to look at Gus Miclat opinion. He is a regional initiator of Global Partnership for the Prevention of Armed Conflict-Southeast Asia (GPPAC-SEA) and executive director of the regional non-government advocacy and solidarity organization, Initiatives for International Dialogue (IID) in a press conference held last April at WISMA MCA, Kuala Lumpur, the venue of this year's ASEAN Civil Society Conference/ASEAN People's Forum (ACSC/APF) 2015 (Burma Partnership, 2015).

Malaysia is the Chair of this year's ASEAN summit and host of the ACSC/APF from April 21 to 24. The ACSC/APF is an annual conference that started in Malaysia 10 years ago that has now attracted thousands of civil society participants working on different issues in the region. The conference is held parallel to the ASEAN Summit scheduled on April 26<sup>th</sup> and 27<sup>th</sup> 2015.

He latter said, with the continuing armed conflicts and disputes within countries like Burma or Myanmar, the Philippines and in south Thailand, the ASEAN should go beyond its rhetoric of conflict management and prevention by creating concrete mechanisms to proactively prevent and resolve existing conflicts in the region. In demonstrating ASEAN's commitment to a comprehensive security as stated in the ASEAN political-security blueprint, ASEAN member governments must strengthen its preventive diplomacy to address comprehensive human security issues and the social impacts of recurring conflicts by establishing partnerships especially with civil society movements.



Preventive clause in the existing ASEAN dispute and settlement mechanism must be included in the ASEAN charter to serve as a catalyst for dialogue, good governance and peacebuilding. Towards this goal, the ASEAN Institute for Peace and Reconciliation (AIPR) which was created in 2011 should create consultative and partnership mechanisms with the civil society organizations to facilitate a more active and inclusive citizen participation especially of communities directly affected by the conflicts. AIPR could be an effective tools to urge government of ASEAN countries to put dialogue and peaceful solutions to conflictual situations.

As ASEAN tackles peace and security issues in this year's summit, Civil Society Organizations should appeal to the collective wisdom of the ASEAN leaders to make this event a landmark of new hopes, genuine peace and inclusive regional progress by providing greater attention to the legitimate concerns of all the peoples in our region (Burma Partnership, 2015).

### **CSO in Peacebuilding Efforts**

Beside conflict prevention, Civil Society Organizations could also take a significant parts in peacebuilding efforts. civil society is widely assumed to be an important actor for peacebuilding. As such, substantive focus has been given towards building and strengthening civil society, especially in countries experiencing or emerging from situations of armed conflict. In such environments, civil society is understood as playing an important role in reducing violence, and in facilitating the conditions necessary for building a sustainable peace.

However, despite this ever-growing emphasis on the role of civil society in peacebuilding, little systematic research has been undertaken to empirically support this assumption. As an effort to systematically examine the role of civil society in peacebuilding processes, the Centre on Conflict, Development and Peacebuilding (CCDP) has conducted a three-year comparative research project under the direction of Thania Paffenholz entitled "Civil Society and Peacebuilding." This report provides an overview of the findings thus far, and focuses explicitly on their policy implications. The project began by developing a comprehensive framework through which the relevance and effectiveness of the role of civil society in peacebuilding could be more fully analyzed.

This framework, derived from democracy, development and peacebuilding theory outlined seven possible functions to be played by civil society within various stages of conflict. These functions are: protection, monitoring, advocacy, socialization, social cohesion, facilitation, and service delivery. Through the comparative study of thirteen case studies, this project analyzed the performance of civil society in regards to the above functions within situations of both war and armed conflict. It also looked at the potential and actual role of civil society when a window of opportunity appears for peace negotiations, and when large-scale violence has ended.

The project found that civil society can play an important supportive role, though the impetus for peacebuilding comes in most cases from political actors and

the conflict parties themselves. The findings of the research project demonstrate that the relevance of the seven civil society functions varied tremendously during different phases of conflict. However, activities of high relevance, such as protection during wars, were not necessarily equally implemented by civil society organizations. The effectiveness of activities also varied substantially. Overall, protection, monitoring, advocacy and facilitation related activities were of higher effectiveness, whereas socialization and social cohesion related activities were of low effectiveness across all cases. This finding stands in stark contrast to the actual implementation and funding level of these activities (Paffenholz, 2009).

### **Bibliography**

Association of Southeast Asia Nations, 2014. The ASEAN Socio-Cultural Community Plan of Action, accessed from <http://www.asean.org/news/item/the-asean-socio-cultural-community-ascc-plan-of-action> on 20 May 2015.

Avruch, K., 1998. Culture and Conflict Resolution. Washington, DC.: United States Institute of Peace Press. Hlm. 310.

Burma Partnership, 21 April 2015. ASEAN Urge to Strengthen Civil Society's Role in Regional Peace and Security. Accessed from <http://www.burmapartnership.org/2015/04/asean-urged-to-strengthen-civil-societys-role-in-regional-peace-and-human-security/> on 19 May 2015.

### **CCDP Working Paper**

Cetak Biru Komunitas Politik dan Keamanan ASEAN. 2010. Jakarta: Direktorat Jenderal Kerja Sama ASEAN Kementerian Luar Negeri Republik Indonesia.

Cetak Biru Komunitas Ekonomi ASEAN. 2010. Jakarta: Direktorat Jenderal Kerja Sama ASEAN Kementerian Luar Negeri Republik Indonesia.

Cetak Biru Komunitas Sosial Budaya ASEAN. 2010. Jakarta: Direktorat Jenderal Kerja Sama ASEAN Kementerian Luar Negeri Republik Indonesia.

Castro, L. and Galace, J. N. 2010. Peace Education: Pathway to A Culture of Peace. Cuezon City: Centre of Peace Education. Hlm. 19.

Direktorat Pendanaan Luar Negeri Bilateral Bappenas. Juli 2011. Peran Civil Society organizations (CSO) dalam Perencanaan dan Pelaksanaan Kegiatan yang Didanai Pinjaman/Hibah Luar negeri: Studi Kasus Kegiatan MCC-Compact Indonesia. Policy Paper, Bappenas

European Commission. Enlargement, 2015. European Neighbourhood Policy and Enlargement Negotiation, accessed from <http://ec.europa.eu/enlargement/countries/check-current->

- status/index\_en.htm on 25 May 2015.
- Henry, L., *The ASEAN Way and Community Integration: Two Different Models of Regionalism*, *European Law Journal*, Vol. 13, No. 6 (2007). Hlm. 869.
- Kementerian Luar Negeri, 3 Juli 2013. *Watapri ASEAN: CSO Penting Menuju Komunitas ASEAN yang Berorientasi Masyarakat*. Dikutip dari <http://www.kemlu.go.id/ptri-asean/Lists/EmbassiesNews/DispForm.aspx?ID=20> pada tanggal 19 Mei 2015.
- Kotler, P. et.al 2007. *Think ASEAN! Rethinking Marketing toward ASEAN Community 2015*. Singapore: McGraw Hill. Hlm. 5.
- Kraft, H. J., (ed). 2012. *Mainstreaming Human Security in ASEAN Integration: Lessons Learned from MDGs Implementation in Souteast Asia*. Quezon City: Institute for Strategic and Development Studies.
- Meyer, T., 2008. *European Identity*, dalam Reimund Seidelmann dan Andreas Vasilache (ed). *European Union and Asia: A Dialogie on Regionalism and Interregional Cooperation*. Munich: Nomos.
- Meyer, T., *European Identity*, dalam Reimund Seidelmann dan Andreas Vasilache (ed). *European Union and Asia: A Dialogie on Regionalism and Interregional Cooperation*. Munich: Nomos. Hlm. 103
- Organizations for Economic Co-operation Development (OECD), 23 July 2007. *Civil Society Organizations*. Accessed from <https://stats.oecd.org/glossary/detail.asp?ID=7231> on 20 May 2015.
- Savir, U., 2008. *Peace First: A New Model to End War*, San Fransisco: Berrett-Koehler Publisher. 51.
- Paffenholz, T., 2009. *Summary of Results for a Comparative Research Project: Civil Society and Peacebuilding*. The Center on Conflict, Development, and Peacebuilding.
- Webel, C., and Galtung, J., 2007. *Handbook of Peace and Conflict Studies*. New York: Routledge.
- World Bank, 22 Juni 2013. *Defining Civil Society*. Accessed from <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/CSO/0,,contentMDK:20101499~menuPK:244752~pagePK:220503~piPK:220476~theSitePK:228717,00.html> on 20 May 2015.



# MANAGING CULTURAL DIVERSITY OF SOUTHEAST ASIA: ASEAN SOCIO-CULTURAL COMMUNITY FRAMEWORK

Jusmalia Oktaviani and Teguh Puja  
Pramadya

## **ABSTRACT**

*The striking characteristics of Southeast Asia can be seen from its rich cultural diversity: ethnicity, nationality, gender, religion, and root of local culture and indigenous group differ one to each other. One may argue that the diversity which Southeast Asia has, at some points, could lead to a lot of challenges to confront by Southeast Asia community in maintaining peace and overcoming conflict that may occur anytime. In fact, many conflicts are occurred in this region and the failure of respecting diversity or less-tolerance among diverse groups is one of the cause.*

*ASEAN Socio-cultural Community (ASSC), as one of the three pillar of ASEAN Community, is expected to be able to mediate and enhance the possibilities of its rich cultural diversity into benefit for all members in the area. In this paper, we will examine the possible interpretation and implementation of ASSC in mediating cultural diversity in Southeast Asia and also highlight its challenges.*

## **Introduction**

The manifestation of ASEAN Community's pillars, which are formulated in three major model of regional integration in Southeast Asia, specifically ASEAN Socio-Cultural Community (ASCC), along with the ASEAN Economic Community (AEC), and the ASEAN Political-Security Community (APSC), is inseparable from the result of ASEAN leaders meeting in Bali Summit 2003. Through the meeting, the ASEAN leaders established the evaluations to implement those three pillars of the ASEAN Community, with high expectation that those regional frameworks would be able to generate Southeast Asia to meet its highest purpose, in which is formulated in the motto of the ASEAN Vision, namely an 'Integrated, Peaceful and Caring ASEAN Community' in 2020 (Castro, 2009, p. 1).

Among the three pillars, the ASEAN Economic Community (AEC) 2015 is the first pillar that has been made to 'go public' throughout Southeast Asia's community—given the fact that some regional economic frameworks and cooperation have been applied before the AEC framework, and some enactment of the cross-country trade also have been done long ago, the embodiment of the AEC 2015 is easier to be continued and enhanced, in order to attain free and fair trade in

Southeast Asia and within its neighbors, like China. Meanwhile, the implementation of the other pillars, namely ASEAN Political-Security Community (APSC) actually give more its emphasis on the level of state or government. ASEAN leaders are aware that political and security issues are still significant in Southeast Asia. The origin of the APSC itself is from Indonesian government's initiative, in fact, at that time, Indonesia and other Southeast Asia countries also started to deal with terrorism issue, especially after the first Bali bombing in 2002 (Smith, 2004, p. 423).

With the number of political-security cooperation before the APSC among ASEAN countries, such as the Zone of Peace, Freedom, and Neutrality (ZOPFAN), the Declaration of ASEAN Concord, and the Treaty of Amity and Cooperation (TAC), it continues to prove that political cooperation is still very important for the member countries of ASEAN (Chandra, 2004, p. 162). According to Smith (2004), by strengthening political and security cooperation, it shows that these regional organizations 'reaffirms the doctrine of non-interference' (p. 423). Smith (2004, p. 424) also mentioned that the core of the Security Community's plan was -to establish a regional peacekeeping force to tackle situations of civil conflict and humanitarian crisis, but the plan also called for an extradition treaty, a non-aggression treaty and a human rights commission.

The last pillar of ASEAN Community is ASEAN Socio-Cultural Community (ASCC). What is ASCC? As the third pillar, ASCC is the only pillar that emphasizes the participation of the whole community member and the importance of people-oriented as its essential foundation. As mentioned by Castro (2009), -The ASCC represents the aspiration of a people-centered and socially responsible ASEAN bonded together in partnership as a community of caring societies (p. 2).

Castro (2009) added that ASCC could be a mechanism to ensure that economic progress in Southeast Asia will have no impact on social injustice, but instead will promote the welfare of people in the regional area. At this time, there are twelve ministerial bodies that have the authority to deal with ASCC, they are-the civil service, culture and arts, disaster management, education, environment, haze, health, information, labor, social welfare and development, rural development and poverty eradication, and youth (p. 2). According to the ASCC Blueprint, the goal of this community is a -durable peace, stability, and shared prosperity in the region (p. 1). However, it might be not easy to achieve because Southeast Asia is a region that is vulnerable to conflict. These terms, heterogeneous', or diversity' as if it had been attached to the identity of the peoples of Southeast Asia. Ba (1997) underlined that:

More water than land, Southeast Asia lacks any single dominant land mass that might identify it and includes both mainland and island countries. As

for its people, Southeast Asia is far more heterogeneous than homogeneous and boasts a host of different religions, cultures, ethnicities, and languages. (p. 635-636).

Because of its heterogeneity in ethnic, religion and cultural diversity, Southeast Asia as a region has to face many challenges to create and maintain the 'durable peace' community. However, with the three pillars of the ASEAN Community, especially ASCC framework, it is expected that the cultural and ethnic diversity in Southeast Asia that could potentially lead to conflict can be addressed and also get more attention. Do ASCC able to cope with the conflicts that arise due to issues of cultural diversity? Can ASCC be a mechanism to make a cultural diversity as a potential for advancing the welfare of Southeast Asia region? With such cultural diversity, can ASCC achieve its goals, making Southeast Asia as a region with a durable peace, stability, and shared prosperity?

### **Identity-Building in Southeast Asia**

The problem of identity is still a bottleneck in the implementation of the ASEAN community that is safe, peaceful, and prosperous. Recently, the Rohingya people who experience discrimination in Myanmar fled from the country and ask for protection to other neighboring countries. Their future is increasingly unclear after being expelled by Malaysia and Thailand. The case of Rohingya refugees is back into the spotlight, especially since Myanmar keeps declining to resolve the Rohingya refugee problem, on the basis that Rohingya refugees are not part of the citizens of Myanmar. Myanmar basically does not want to identify Rohingya as their citizens, because of some reasons, in which one of them, is Rohingya's dissimilarity from Myanmar's majority. And yet Rohingya have lived and inhabited in the country long before Myanmar (in which was formerly called Burma) got their independence.

In terms of ethnicity and religion, Rohingya are different from Myanmar society in general. Such dissimilarities are often treated as the reason for the government to carry out political discrimination against the Rohingya. Moreover, this difference has also lead them to countless conflict between Rohingya and Buddhist communities in Arakan (Pramadya and Oktaviani, 2014). What happened to Rohingya actually shows and reminds us that if the richness of cultural diversity in Southeast Asia is not treated seriously by the policy makers in each member state in ASEAN, this will keep leading the people in Southeast Asia into countless potential disputes and violence.

Cultural diversity is closely related to the formation of identity and multiculturalism in Southeast Asia. Before speaking further about the identity formation, let us see some definitions related to the nation-state, as Siapera (2010, p.

15) has explained that ethnic is defined as the base of the nation, it could be historical, cultural, or linguistic (in Smith, 1986). Nation-state is the political community, meanwhile, state is a human community that (successfully) claims the monopoly of the legitimate use of physical force within a given territory (in Weber, 1919/2004). Nationalism, is the ideological proposition that the ethnic and political community should always coincide (in Gellner, 1983). Furthermore, national identity means the (self) ascriptions that form the substantive part of the nation (p. 15). By referring to some definitions earlier, it is obviously seen that the creation of a nation-state is always attached to the element of ethnic and also social groups.

Georgiou and Siapera (2006) in Siapera (2010, p. 2) argued that “diversity and difference are once more becoming signifiers of problems, tensions, conflict, and friction.” Though the norms which has been globally admitted is human rights, where all human are considered as equal. On the other hand, some criticism of the politics of multiculturalism which tend to accommodate differences and diversity are still emerging. Multiculturalism or some political views in which are associated with it, sometimes regarded as the scapegoat, as the source of the community's problem.

According to the critics of multiculturalism, politics in favor of the diversity of the population will have an impact on the administration in which is busy to meet the demands of each group to be treated equally and fairly. There may even be some groups who ask for special treatment. Siapera (2010) pointed out that some critics see multiculturalism as the seeds of the destruction of society, continued violence, and loss of unity (p. 3). Multiculturalism in view of the more extreme critics would likely result in the loss of freedom, free of speech, for example, so that it restricts democracy. From this point of view, multiculturalism is seen as inconsistent with the value of democracy itself (Siapera, 2010, p. 2).

As mentioned by Georgiou and Siapera (2006) in Siapera (2010, p. 2), this backlash against multiculturalism happened because of some reasons. Firstly, the failures of decision-makers to distribute the equality and justice for all groups. Secondly, the competition between all nations for limited resources. And thirdly, the political situation has transformed since 9/11, security issues develops to be the most important issues above all, including equality or justice. With the criticism of the political priority to equality and justice for all, Siapera (2010) responded that -attacks on multiculturalism therefore reveal this underlying logic: it is them, the strangers, the foreigners, those different from us who are responsible for our loss of identity, harmony, and unity (p. 4). It turns out that some people still have and promote 'in-group' and 'out-group' mindset, in which also lead to misunderstanding against those whom they judge different.



There have been several studies that raised the question of identity and its formation in Southeast Asia. In analyzing the identity formation in the region, some previous literatures have tried to see the development of values, approaches, or procedures towards ASEAN's style by using a number of theories. Rother (2012) used the constructivist approach through Wendt's thought to look at the ASEAN identity. Kivimäki (2001) observed about the period of peace among ASEAN members through the same approach like Rother. He stressed that the basis of peace that is created in the region, it originated from the role of the elite who manipulate social construction of ASEAN diplomatic relations, the values of the Asian continent, and culture rather than by democratic politics.

Chandra (2004) specifically looked from the viewpoint of ASEAN regionalism and the New Regionalism. Another research written by Manea (2009), it shows that identity is the result of a process of a continuous of social construction, therefore, the 'common knowledge' that exists between ASEAN member countries concerning particular values or norms are often the result of social construction, for example is the issue of human rights. Although ASEAN as a regional organization recognizes the global values such as human rights, but in the regional level, the result of the interaction between the various actors in ASEAN, has led ASEAN to develop values, approaches, and its own procedures in matters of human rights implementation (Manea, 2009, p. 27-28). These views can prove and also explain the reason of ASEAN's decision in responding to the conflict in East Timor or political repression in Myanmar as an internal matter of each country that resolved by bilateral or multilateral, rather than as a human rights issue that needs the intervention of the organization.

### **The Apparent Peace?**

Since it was first established, ASEAN had become the spotlight because it was considered as a new form of regionalism in Asia, especially after the transformation of its predecessor organization, the European Union. With a different vision and mission, ASEAN was respected as a role model, especially for the other developing-regions. This organization was also able to maintain sustainable peace than the period before ASEAN was formed (Freistein 2005, p.177).

However, the condition of Southeast Asia that does not show much dispute, especially violence that resulted in casualties, cannot be considered as a reality that depicts the real peace in Southeast Asia. Kivimäki (1997) believed that the member countries of ASEAN in Southeast Asia still have the potential to conflict, as a matter of fact, it can be assumed this region is more vulnerable than before, along with the development of communication technology and the rapid mobility, including weapons and military developments in the region.

Conflict in Southeast Asia is still likely to occur, but the member-states of ASEAN are often trying to avoid potential conflicts. The tendency is the ASEAN countries are more focused on the interests and economic cooperation, so they avoid the problems which can trigger a disputes or competition (Ba, 1997, p. 637; Kivimäki, 1997, p. 13). According to Holsti (1991: 6-9) in Kivimäki (2001, p. 10), international conflicts often caused by territorial issues, as well as the problems associated with the issue of independence. This also applied to some countries in Southeast Asia in the 1960s, before there was a regional organization within the framework of ASEAN. In Southeast Asia, there were a lot of conflicts, especially since most countries in Southeast Asia were still struggling with the problem of colonization and the problems posed by separatist groups.

After the formation of ASEAN in 1967, actually disputes between member countries of ASEAN was still happening, but this time the majority of the existing conflicts, did not cause any fatalities, such as the conflict in Malaysia, Indonesia, and Singapore. This was possible to occur because the conflict resolution approach undertaken by the ASEAN in resolving this issue proved to be effective. Kivimäki (1997) noted the conflict resolution approach that ASEAN countries do, as follows:

The nations of Southeast Asia have been able to settle or downplay their disputes just as the democratic nations have: the cause of the long peace has not been on the level of disputes but on the level of their downplaying and civilized settlement. (Kivimäki, 1997, p. 11).

Kivimäki's statement is confirmed through the notion and the implementation of "*Musyawarah Mufakat*", the so-called Southeast Asian's culture of consultation and consensus. Kivimäki (1997) noted that, "*Musyawarah Mufakat*" encloses conflict avoidance principles, including: (a) lengthy negotiations and (b) quiet, (c) non-legalistic, (d) personalized (e) confidence building, aimed at (f) gradual downplaying and prevention (or sometimes resolution) of disputes (g) by means that can be accepted unanimously, (h) using the principle of lowest common denominator (p. 16). Even though this decision- making process is unique and originated from ASEAN, but the consensus method has been complained as inefficient because of its timewasting (Hussey, 1991, p.88).

Even so, some disputes relating to territorial issues and independence is still taking place even in the period of 'long peace' in ASEAN. During this long peace period, there were some territorial disputes among states, like Malaysia and Singapore (Pedra Branca), Indonesia and Malaysia (Sipadan and Ligitan), Indonesia and the Philippines (Miatan Islands), Malaysia and the Philippines (Sabah), and Malaysia, Vietnam, and the Philippines (Spratly Islands). Outside the territorial issue, taking into account the diversity that exists in heterogeneous society in

Southeast Asia, problems concerning certain racial or ethnic groups that want independence is still going on in various places (Kivimäki, 1997, p. 10-11).

ASEAN as a regional organization in Southeast Asia can be considered to be slow in involving non-state actors in the decision-making process. Precisely after the post-1997 financial crisis that hit Asia, actors non-governmental began more to be involved in policy and decision making. The financial crisis of 1997 also makes ASEAN began reviewing the vulnerability and capacity of the organization (Manea, 2009, p. 38). The slow pace of the role of non-state actors is due to emerging democracies in the region.

ASEAN also can be regarded as a very elitist organization because its members are also mostly non-democratic countries. Most ASEAN countries led by the military regime or an authoritarian leader with a regulation that ban on freedom of speech or of the press (Kivimäki, 2001, p. 19). It has been affecting the style of communication between politicians and diplomats who think that ordinary people and also the media are outsiders, and therefore a lot of things are covered from the public. The chosen approach in solving the problem by diplomats or politicians more often done by using quiet and private approaches (Kivimäki, 2001, p. 17). Manea (2009) noted this phenomenon and wrote:

On the other hand, the regional order in ASEAN is characterized by authoritarian, semi-democratic or democratizing domestic political cultures which unequivocally shape the regional culture of cooperation and set up clear limits to the practice of communicative action (p. 31).

### **ASCC, ASEAN Identity-Building, and Durable Peace of ASEAN**

The linkage of the ASEAN identity and the implementation of the ASCC framework continues to be important to note, because with a deep understanding of these aspects, success and failure in the realization of the ASEAN community building can be seen and then improved in the future. ASEAN identity is a collective personality (see article E, no. 42 p. 20-23), it means, that the ASEAN identity cannot simply be formed by a single individual or a single interest. ASEAN identity is a manifestation of the collective consciousness in achieving the goal for the benefit of all communities in Southeast Asia.

The ASEAN identity is the basis of Southeast Asia's regional interests. It is our collective personality, norms, values and beliefs as well as aspirations as one ASEAN community. ASEAN will mainstream and promote greater awareness and common values in the spirit of unity in diversity at all levels of society (ASCC Blueprint, 2009, p. 20).

According to ASEAN Blueprint, ASEAN identity (p. 20-23) consists of: 1. Promotion of ASEAN awareness and a sense of community; 2. Preservation and

promotion of ASEAN cultural heritage; 3. Promotion of cultural creativity and industry; 4. Engagement with community. Each points has its own Strategic and Actions.

It is not easy to define the ASEAN's goal in social and cultural issues and to determine the accomplishment, especially when it has to be compared to another pillar like AEC that can be measured by economic aims. Additionally, the social and cultural dimension covers a number of sectors that require planning and careful thought. According to Tadashi and Hernandez (2003), to build a regional community in the field of non-economic and non-political/security, there are a number of aspects that must be met, firstly, is the enlargement of mutual understanding among people across the region by exchanges of education, culture, information, and the media; secondly, the nurturing of strong intellectual by systematic dialogue, academic exchange, and joint activities; and lastly, the encouragement of a sense of community in the individual level through NGOs, NPOs, and grassroots organizations (p. 171). It means, to ensure the success of ASCC, it would require the construction of community-oriented policy.

From the Strategic Objective and Actions in the subsection 'Building ASEAN Identity, various fields involved in this framework, specifically field related to youth, tourism, education, art and cultural heritage, small and medium- sized cultural enterprises, and so on. Definition of the socio-cultural field became very broad and has multiple interpretations. Hussey (1991) revealed that the Declaration of ASEAN Concord encourages efforts to build a community identity that would exist alongside with the individuality of each member, but ASEAN has not yet established plans to achieve the goals. The cooperation among state- members especially in education, tourism, and NGOs should be a concern (p. 94). Yet, Sonoda (2008) does not really agree with the declaration. He emphasized that, society and culture that the declaration emphasized, especially referred to promoting social development, fostering human resources, taking measures against infectious diseases, protecting cultural assets, and strengthening cooperation on population increase, unemployment and environmental degradation is quite different in sociological or anthropological inquiries (p. 2).

Because of its heterogeneity, the Southeast Asian region has many challenges to establish the ASEAN community with a long-lasting peace. Gard (2004) stated, this region is an area that absorbs a lot of new ideas outside itself. New various thoughts will be a challenge in Southeast Asia because it may lead into instability in the region (p. 294). These new thoughts are certainly shifting the way people think and how to act in Southeast Asia, the examples of such new thoughts are the intrusion of Islam and other beliefs and also the influx of Western's philosophy since the colonial European countries. The difference between religion and Western thought frequently leads this region into a clash.

Gard (2004, p. 294) has pointed out that the existing problems are often triggered by the absence of a clear separation between religion and philosophy in the daily life of people in Southeast Asia. In contrast to the tendency in Western countries which make a clear separation of the philosophy and religion. For the people of Southeast Asia, religion is a philosophy of life significantly. That is the reason why Southeast Asia tend to regard religion and philosophy as something very important, even sacred. He also noted that as a set of beliefs that become a way of life, religion and philosophy basically converted into a basic beginning to think more broadly, in terms of political ideology, economics, and law in Southeast Asia.

In connection with political ideology, there are several challenges that must be faced. Currently, most Southeast Asian countries borrowed and adapted the system, models and forms of the West as a legacy of colonialism in the past (Gard, 2004, p. 297). Even so, the contestation between political ideologies is still going on until today. There are three political ideologies that dominate and compete to gain absolute supremacy in the region. The first is authoritarianism, which is inherited from the imperial system that once dominated Southeast Asia; (2) democracy (Western-style), which is used now; (3) and Communism (as the influence of China and Russia) (Gard, 2004, p. 298-299).

About the blueprint of ASCC, one can see that there are no words that clearly discuss about the word 'conflict' inherent in this document. Actually, the authors agree with the goal of ASCC, namely a durable peace, stability and shared prosperity in the region (ASEAN Secretariat, 2009, p.1), but on the other hand, the authors believe that the prevention of conflict, as part of a long-term peace, should be included in the ASCC. It will be a little contradictory when conflict, violence, and even war, if it is not incorporated to be one of the considerations in the ASCC, particularly in terms of conflict prevention.

ASCC is definitely focusing a form of people-oriented when compared with two other ASEAN community. ASCC is actually designed to make ASEAN become more holistic. The idea of uniting in a single ASEAN social and cultural entities should be encouraged. According to Smith (2004), one of the ASCC's success is cooperation between countries of ASEAN in the fight against dangerous infectious disease issues such as HIV / AIDS and SARS (p. 427). However, the lasting-peace will not be established without involving people. The authors assumed, the absence of 'conflict prevention' maybe because of the separation of the ASEAN Community pillar, so that the issues of peace and conflict tend to be handed over to the other pillars of the ASEAN Community, such as the ASEAN Political and Security Community (APSC). The second assumption, the decision-makers in the blueprint had not consider conflict as a possible cause to put an end to peace.

As a matter of fact, people in Southeast Asia are less involved in the ASEAN community. Often, ASEAN has become an elitist organization. Unfortunately, this also applies to the ASEAN policy that related to the society. When compared with its predecessor regional organizations, the European Union, the ASEAN Community is less successful in terms of involving the general public or people-to-people (Benny and Abdullah, 2011, p. 40). Lack of socialization and community involvement will have impact on the course of the ASEAN community itself. Benny and Abdullah (2011) argued that the difference of opinion and perception towards ASEAN's integration could be an issue. They also emphasized how important the support of the general public to the realization of ASEAN Community.

It seems that people within individual ASEAN countries have not yet fully grasped or been involved in the process of the building of the ASEAN Community. The larger issue is that the public in each ASEAN country may have its own perception, opinion and aspiration for the regional integration. The existence of the EU as what it is today and its success in economic, political and social integration has been obviously supported by the consensus and involvement of its general public (p. 40-41).

The general public opinion is one of the important component which define the success of community building (Benny and Abdullah, 2011, p. 41). In this reason, the public must be regarded as the main actor in the process of the realization of ASEAN Community because they are the ones who directly affected in this regionalization and integration process. The fields that could help ASEAN to figure its regional identity are education and tourism. Related to this, as a matter of fact, despite the very political-centric of ASEAN, it does not mean that ASEAN never tried to develop the other sectors. ASEAN has launched education program in 1976, which contains an introduction to ASEAN it self, such as its organization, its member states, as well as the languages diversity in this region.

The program was designed to be taught in schools and other educational institutions. In addition, there were also programs that designed for scholars, writers, artists, and the media to actively contribute to the shaping of regional identity. However, the program was not running due to the member-states' interest, there is the need to encourage national identity, rather than a regional identity. According to Hussey (1991, p. 94-95), teaching the language diversity in the schools seemed unreasonable, meanwhile, primary education is usually designed for reading, writing, and speaking in their own national languages.

Besides education, tourism is also one of the favorable components that can generate mutual understanding between countries. Tourism also influences the state's economic growth (Hussey, 1991, p. 95). However, ASEAN does not use this tourism potential optimally. Tourism in ASEAN countries unfortunately are not complementary, but instead it seems competing against each other. Each country

encourages tourism to their own country, it can be assumed tourism is not managed as something collective. Not only it will generate the level of competition in this area, but also it will generate conflict to arise. The problem of national identity which is used as tourism attraction is often a source of disputes because each country claims the assets. Several times conflicts occurred because the claim for ownership of the temple issue, the struggle for traditional cultural products, and others.

In international relations, ASEAN had been regarded as a role model for the New Regionalism by other developing regions in the world, and the last decades, this region shows massive growth and enthusiastic visions. However, the Asian crisis in 1997 revealed the inadequacy of Southeast Asia. ASEAN was not prepared to cope with the crisis and lacked the instruments for dealing with the economic and political consequences: conflict management was underdeveloped, political cohesion almost non-existent and ASEAN was unable to act as an institutional actor (Freistein, 2005, p. 177).

Manea (2009) argued that from the beginning, ASEAN was never prioritize community or the values of human rights as the interests of the organization. The main priority is the interests of the country (p. 35). Manea (2009, p. 35) stressed that the enlargement of ASEAN is one of the evidence supporting the argument. ASEAN itself never makes democracy and human rights as the major capital requirement in the organization. ASEAN received the countries that are considered by Western countries as a communist: Vietnam, Myanmar, Laos, and Cambodia. Rapid economic development is the reason for not paying attention to other aspects, including human rights issues (Rother, 2012, p. 52). Meanwhile, Manea's opinion also reinforced by Freistein (2005), who wrote that the constructivist view the establishment of collective identity, including ASEAN, was socially constructed. The formation of a motive, or interests, constructed by the member states (p. 179). If the motivation to establish ASEAN is focused on political and economic cooperation, it becomes natural that the element of people-to-people relations will be most likely overlooked by decision-makers.

Yet, Singh (1997) showed optimism particularly in economy. He believed that the economic gap between countries in Southeast Asia is one of this region's challenge. In addition, Southeast Asia are at different levels of economic development with different economic systems too. At that time, countries that recently joined the ASEAN, i.e. Vietnam, Laos, Myanmar must catch-up other member countries' development (p. 129). Though, Singh revealed that the expansion of ASEAN promote political stability in the region, and expand important network of consultation at various levels. In the higher levels, expansion of ASEAN will enhance its capacity in international affairs-the collective interest. As proposed by

Singh (1997), ASEAN will be a harmonious and prosperous region and thus contribute towards peace and progress in the wider global community (p. 129).

In political terms, ASEAN is actually quite successful, especially in reducing disputes and conflicts among its member countries. Hussey (1991, p. 97) mentioned, the organization is an effective forum to resolve the disputes. ASEAN, at least, being able to bring stability to the region. Again, Hussey (1991) underlined that the successful achievement from ASEAN has been proved from the acronym ASEAN that has become an interchangeable term for Southeast Asia. The word ASEAN slowly but sure turn out to be the identity for Southeast Asia itself (p. 97).

## **Conclusion**

The principle of non-interference has been carried out and implemented by ASEAN during this time can be a dilemma and also brings its own difficulties in the future because it shows that ASEAN has not been able to make the most of the potential that is based on the orientation of the community, because it is still stuck and depend very strongly on the decision based on the state-centric. Political orientation in the ASEAN organization still looks more inclined to put their national interests first, it certainly can be a problem if it is maintained like this, because it can hinder the plan and achievement of the ASEAN in the future. This course will also hold ASCC, as this pillar require the determined participation of the community.

Although, there are still a lot of obstacles to improve the implementation of ASCC, the emergence of ASCC itself is a good initiative to start the first step to integrate the ASEAN community. The writers' hopes, ASCC's accomplishment will become the foundation for a durable, united, and integrated community. Meanwhile, if it is not succeed, the result is expected to become a new input for policy-makers in the future. The diversity of the ASEAN community, in the future hopefully could be a strength, not as a reason to reinforce the differences. Conflicts that arise over the differences cannot always be avoided, but if ASEAN could be an effective forum to prevent the settlement of the conflict through violence and war, this region will continue to grow and learn to manage every upcoming conflicts wisely. Through experience, this region will learn and able to find the most effective way to integrate itself, either through the ASEAN Community, or other instruments.

It is the responsibility of all parties: the state, NGOs, and civil society to contribute actively to the further implementation of the vision and mission of ASCC. The state can no longer leave the human dimension in the context of politics and cooperation, because by taking into account the human dimension and the community, the application of state policy will be easier to see in concrete. The benefit can be directly received by the community because the community has been involved from the beginning before the policy was created. This will generate appropriate policy objectives and do not cause more harm. In addition, periodic



evaluation and monitoring should be done to see the progress of the ASEAN community and the ASCC framework when applied in society, so that we can manage the program increased time by time and society as a whole would have benefits.

## REFERENCES

- Association of Southeast Asia Nations (ASEAN) Secretariat. (2009). ASCC Blueprint. Jakarta: Author.
- Ba, Alice. (1997). The ASEAN Regional Forum: Maintaining the Regional Idea in Southeast Asia. *International Journal*, 52(4), 635-656. Retrieved from <http://www.jstor.org/stable/40203246>.
- Benny, Guido and Kamarulnizam Abdullah. (2011). Indonesian Perceptions and Attitudes toward the ASEAN Community. *Journal of Current Southeast Asian Affairs*, 30(1), 39-67. Retrieved from German Institute of Global and Area Studies (1868-4882).
- Chau, Andrew. (2008). Security Community and Southeast Asia: Australia, the U.S., and ASEAN's Counter-Terror Strategy. *Asian Survey*, 48(4), 626-649. Retrieved from <http://www.jstor.org/stable/10.1525/as.2008.48.4.626>.
- Castro, Adeline T. De. (2009). The ASEAN Socio-Cultural Community Blueprint: Implementing Labor-Based Concerns at the Country-Level. *ILS Discussion Paper Series 12. Institute for Labor Studies*.
- Chandra, Alexander C. (2004). Indonesia's Non-State Actors in ASEAN: A New Regionalism Agenda for Southeast Asia? *Contemporary Southeast Asia*, 26(1), 155-174. Retrieved from <http://www.jstor.org/stable/25798676>
- Freistein, Katja. (2005). ASEAN After The Bali Summit 2003: From Paralysis to New Life? *European Journal of East Asian Studies*, 4(2), 177-203. Retrieved from <http://www.jstor.org/stable/23615357>
- Hussey, Antonia. (1991). Regional Development and Cooperation through ASEAN. *Geographical Review*, 81(1), 87-98. Retrieved from <http://www.jstor.org/stable/215178>.
- Kivimäki, Timo. (2001). The Long Peace of ASEAN. *Journal of Peace Research*, 38(1), 5-25. Retrieved from <http://www.jstor.org/stable/425780>.
- Manea, Maria-Gabriela. (2009). How and Why Interaction Matters ASEAN's Regional Identity and Human Rights. *Cooperation and Conflict: Journal of the Nordic International Studies Association*, 44(1), 27-49. doi: 10.1177/0010836708099720.
- Pramadya, Teguh P., and Jusmalia Oktaviani. (2014). *The Contribution of the Organization In Myanmar's Rohingyas: Beyond the Ethnic-Religious Conflict and*

- Its Implication Towards South-East Asia*. Nandyatama, R.W. (Ed.). Proceedings of ICONAS 2014. Yogyakarta: Asean Studies Center UGM.
- Rother, Stefan. (2012). *Wendt Meets East: ASEAN Cultures of Conflict and Cooperation*. *Cooperation and Conflict*, 47(1), 49-67. 2012. Doi: 10.1177/0010836711433125.
- Siapera, Eugenia. (2010). *Cultural Diversity and Global Media, The Mediation of Difference*. United Kingdom: Wiley-Blackwell.
- Singh, Dato' Ajit. (1997). *Towards One Southeast Asia*. *ASEAN Economic Bulletin*, 14 (2), 127-130. Retrieved from: <http://www.jstor.org/stable/25773478>.
- Smith, L. Anthony. (2004). *ASEAN's Ninth Summit: Solidifying Regional Cohesion, Advancing External Linkages*. *Contemporary Southeast Asia*, 26(3), 416-433. Retrieved from <http://www.jstor.org/stable/25798702>.
- Tadashi, Yamamoto and Carolina Hernandez. (2003). *Social and Cultural Dimensions in East Asian Community Building*. *Japan Center for International Exchange*, 171-188. Retrieved from [http://www.jcie.org/researchpdfs/ASEAN/asean\\_yamamoto.pdf](http://www.jcie.org/researchpdfs/ASEAN/asean_yamamoto.pdf).
- Sonoda, Shigeto. (2008). *Emerging Socio-cultural Approaches to Asian Regional Integration Research*. Retrieved from [https://ricas.ioc.u-tokyo.ac.jp/aasplatform/achivements/pdf/2011\\_as\\_sonoda.pdf](https://ricas.ioc.u-tokyo.ac.jp/aasplatform/achivements/pdf/2011_as_sonoda.pdf).

# HIGER EDUCATION IN POST CONFLICT AREA TOWARD SOUTHEAST ASIA INTEGRATION: STUDY CASE ON NANGGROE ACEH DARUSSALAM

Randhi Satria, S.IP., M.A Nyphadear T.S.A.P, Wiwit Putri Handayani  
International Relation Department of Universitas Sebelas Maret Surakarta

## ABSTRACT

*Education is one of the most important element in creating sustainable development, especially in the post conflict area. What must we concern on is that educations in the third world countries still depends on the aids given by the first world countries. This prove that there are dependency patterns between the third worlds toward the first worlds. This dependency becomes a spesial bergaining power to press or intervene those third worlds. The example is when Tony Abbot demanded what Australia had given to Aceh back. Therefore, the integration of Southeast Asian nations is expected to be able to break that dependency which is very harmful for sovereign states dignity.*

*This paper is purposed to contribute to give constructive thought toward strong integrity among the Southeast Asia states which can be conducted by educational diplomacy. This paper will also explore on the terminology of dependency, educational diplomacy, and an alternative way which we call "gotong-royong". The method used to write this paper is causative- descriptive method. This paper also gives a hypothesis which explain that Sotheast Asian states are still in deep difficult to remove those dependencies out. Thus, the integration among those states is disturbed by the national interests of each states and those dependency toward the first worlds themselves. This case will cause the halt or even the failure of education and development in the Southeast Asia post-conflict area wich will absolutely impact on the failure of the integration process.*

**Keyword:** *dependency, gotong-royong, integration, educational diplomacy, post-conflict area*

## **Double Standard in Giving Aids**

The flows of money cash or the other forms of international aids have been a common phenomenon in international relations. Those aids are all sorts of funding aids through international institutions such as IMF, World Bank, and ADB as well as through bilateral relations between two countries. Those aids are often given by the developed countries toward the developing and under developed countries in purpose to give funding for their national development projects such as education, poverty erasing, democratic reinforcement, law enforcement, and so on.

Recorded in one last decade, billions of dollars have been bestowed by the developed countries as disbursements for developing and under developed countries. USA through The U.S Agency for International Development has spent \$22.3 billion (Budget and Spending, USAID), European Union through European Commission for International Cooperation and Development has bestowed €51.5 billion (Funding and Procedures, ECICD), meanwhile Australia through The Australian Aid Programme from The Australian Department of Foreign Affairs and Trade has also spent a very huge amount of money cash. Those fundings conducted by the developed countries are purposed to build multi-sectors of development projects in all the hemisphere.

Besides all of those assistance projects by giving aids, there are some questions following those projects. So many people question whether those developed countries purely purpose to assist the developing and under developed or not. The twist in these assistance projects are that the issuance of development assistance is now contingent upon recipient countries demonstrating significant legal, political, and economic reforms to satisfy donor governments and foreign capital markets.

The uncertain difficulty faced by the developing and underdeveloped are that with these new qualifications to foreign aid is that there is no agreement on how such reforms would be evaluated, nor are developing nations allowed input or dialogue on the eligibility criteria for this increased aid. It seems shortsighted to base international assistance on a developing economy's ability to meet the performance targets set by a liberalized global marketplace, when poor nations cannot stimulate enough investment and growth for development in the first place.

Sophisticated markets expect developing and underdeveloped nations to operate as emerging markets, often overlooking the fact that much groundwork is necessary to build a nation's infrastructure to the level where it can function as a viable market in the world economic system. The danger is that competitive standards for the evaluation of development levels might be used to deregulate international aid and lending, and increase private control and foreign ownership of government services in developing and underdeveloped nations, effectively ignoring local need and impeding new development.

Developed nations often call attention to their humanitarian largesse, but the aid flowing into poorer countries is still rather small compared with the debt payments that flow the other way. Poor nations continue to subsidize rich nations. The sum total of grants, trade, credits, direct private investments, and loans received from developed nation's amounts to less than half of the interest and principal payments which developing countries end up paying back.

Essentially, what has been called 'aid' is money lent at interest that is often repaid to developed countries at two or three times the initial investment a negative cash flow from poor to wealthy nations. In effect, aid is an inducement by developed nations to generate cheap exports from developing nations, which are obliged to acquire more and more foreign exchange to pay off their loans. This arrangement is simply winked at as good business, a double standard that passes for charity.

International aid is a classic expression of a perpetrator-victim relationship: the one manipulates but claims to act in good faith, the other pays twice for his own.

### **Neo-Marxist View and Aid as Imperialism**

The phenomenon of double standard in giving aids is best explained by using the neo-marxist view. Neo-marxist presumes the modern world system has transform the traditional colonialism to new kind or role model of colonialism which is call neo-colonialism. The way now days world system is organized is a legacy of colonialism. Most colonies have achieved their independence politically but their economies still tend to be based on exporting cash crops system and raw materials oriented for the order of the developed. Moreover, many developings and underdevelopeds find it difficult to achieve full economic independence because many are over dependent on either one or two primary products or developed demand for those products. Therefore, any over-production or fall in developed demand can have a severe effect upon developings and underdevelopeds economies. developed nations further limit the export earnings of developings and underdeveloped by setting the prices for many developings and underdevelopeds products and setting tariffs and quotas which tax or limit developings and underdevelopeds products entering the First World, especially manufactured products.

One of the distinguished neo-marxian, Andre Gunder Frank (Frank, 1966) analized that the lack of development in the third worls countries is beacau the western countries or the developed ones have intentionlly under-develop them. He rejected the capitalism view on the failure of development is the responsibility of the society that doe not want to develop. He emphasized on the relations of developed and underdevelopeds that always beneficial only for the developed ones.

Frank argues (Frank, 1966) that there exists a global system of capitalism in which core nations such as the USA and UK exploit what Frank calls the peripheral nations or developings and underdevelopeds. The periphery is kept in a state of dependency and under-development because the developed world requires cheap raw materials and labour. Frank reasoned that this relationship of exploitation and dependency occurred historically through slavery and colonialism, and continues today through Western dominance of the international trading system, the practices of multinational companies and the developings and underdevelopeds reliance on developed aid.

At the vanguard of this kind of neo-colonialism, Theresa Hayter (Hayter, 1971) explained that there are two ways to exploit the developings and underdevelopeds, by using MNCs and by giving Aids. MNCs, in their search for profit, these companies allegedly exploit the developings and underdeveloped for cheap labour, cheap raw materials and new markets. Hayter argued (Hayter, 1980) the search for new markets encouraged Western companies to expand in size and market their products globally. These multinational companies (MNCs) imported raw materials from the developings and underdevelopeds and exported manufactured goods back to them. After World War II, increasing numbers of companies started to produce manufactured goods in the developings and underdevelopeds, taking advantage of cheap labour, relaxed health and safety laws and low taxes.

Another form of neo-colonialism according to dependency theory is official aid. Bilateral aid refers to the flow of resources from one country to another – most usually in the form of loans but also as weapons, medicines and human expertise. Multi-lateral aid involves financial institutions such as the World Bank and the International Monetary Fund lending money to developings and underdeveloped.

Most loans to the developings and underdevelopeds involve interest. However, economies grow too slowly and long-term development projects such as irrigation schemes, dams, etc. can be slow to generate the predicted income or may fail. In the meantime, the interest builds up and can eventually outstrip the initial loan. Hayter (Hayter, 1971) argues that debt has a number of consequences. It leads to dependency. The developings and underdevelopeds governments may find themselves pressurized into accepting MNC investment, into making internal political changes and ensuring developings and underdeveloped support for Western strategic interests, for example is Kenya was rewarded with aid for providing US forces with port facilities during the Gulf War.

Debt contributes to high infant-mortality rates and low life-expectancy because the money spent servicing debt could be spent on improving the infrastructure of developing and underdeveloped, especially health and education.

Aid benefits the donor country because they can insist that future aid is tied, i.e. spent in the donor country – which may not be the cheapest market. For example, it is estimated that for every British pound lent to developing and underdeveloped, 70 pence is spent in the UK or spent on projects which primarily employ expertise from the donor country.

### **The Debt Trap and The Halt of Integration**

Like as what Fran and Hayter have explained before, massive amount of foreign aids purposed to give funding on mutli-sector of development projects for the developing and underdevelops are actually very harmful for themselfe. Those foreign aids will emerge dependency pettern of the developing and underdevelops towards the developeds to give funding for their ntional development projects. Those dependencies can be utilized by the developeds to exploit and unconsciously force the developing and underdevelops to do what the developeds order and ask.

The created dependency in its time will transform to a debt trap condition which is very hard and difficult for the developing and underdevelops to get out from it. All those foreign aids are followed by hard and very complex payment that can not easily pay off by the developing and underdevelops. Those the developing and underdevelops will merely focus on that payment. They will never easily conduct theri national development projects because most of their income will be allocated to pay those debts. Thus, unconsciously those the developing and underdevelops have been forced to serve what the developeds want and need.

Those deep constructed debt traps, all the programmes and projects planned by the developing and underdevelops to develop their own countries and building relationships and coopertions with the other countries will be disturbed and halted, included integration plan. Those developing and underdevelops will be in difficulties to build strong integration with the other countries. How can the buil a strong integration with the other countries if they more focus on paying off all their debts. The tragic and complicated condition will emerge when the the countries committed to plan integration are in the same condtion, they are tied by debt traps. So the integration plan seems so delusional.

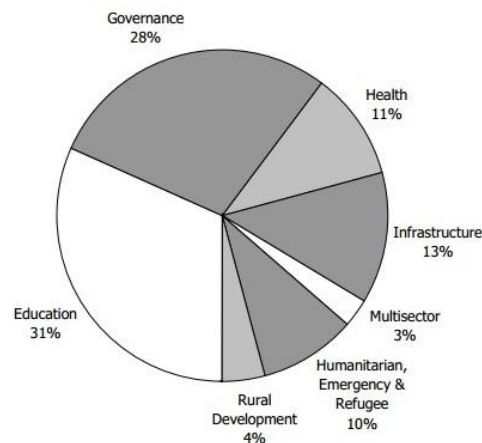
### **Data Donors Committed to Developed Countries in Southeast Asia**

Education is one of the access heading to a better life. Therefore to welcome the ASEAN Community 2015, ASEAN countries must first settled and increase the quality and quantity of education. One of them confronted the question of Indonesia that must be resolved for the sake of ASEAN toward the Community. The issue is one of the problems has not been equitable levels of education in Indonesia, for example in Nanggroe Aceh Darussalam (NAD). NAD is the province of the Western most tip of Indonesia and countries bordering the Indian Ocean.

The area has a special autonomy was engulfed in the conflict since 1976 to creation of peace in 2005 (Shah and Cardozo. 2014). Additionally, on December 26, 2004, Aceh also happens to natural disasters, the earthquake and tsunami that devastated some areas in the province. Many educational facilities and other public facilities were damaged.

Partly as a result of the conflict between the Government and the Free Aceh Movement (GAM) has been destroyed at least 600 schools and children lose the chance for 55,000 attended (Shah and Cardozo. 2014). While the more than 2000 schools, 2,500 teachers died and 160,000 students must leave school because of this disaster (Commonwealth of Australia, 2008).

Many countries that provide assistance to post-conflict recovery and disasters such as the tsunami, Australia with AusAID, United States with USAID. Those countries providing assistance in various sector such as health, education, infrastructure and others. Such assistance is expected to help the countries that are in need and also requires assisting countries already advanced and stable in some areas to help countries in need. Indonesia as the country's new democracy running still deemed necessary to give assisting, as still happens a couple of separatism, terrorism, and natural disasters. As a country that is located adjacent to Indonesia, Australia as neighboring countries also provide help when Aceh was hit by the earthquake and tsunami in December 2004. Australia Government help magnitude provides assistance to Indonesia in various fields can be seen in the diagram below:



**Figure 1 Estimated AusAID programs in Indonesia by sector 2006-2007**

AusAID allocate funds amount to \$ 151 million for the reconstruction assistance in Aceh and Nias, including to build 19 schools and 180 village halls and a present parcel more than 24,000 pieces (Commonwealth of Australia 2006). Indonesia has strengthened economic, financial sector and develop democracy to



a country that is stable after the existence of separatism and natural disasters. Aftermath of the tsunami in Aceh in 2004, Indonesia also resolve disputes with GAM and agreed to peace. Indonesia also saw good progress in the rehabilitation of tsunami- affected areas. Australia also supports the restoration and rebuilding public order. Cooperation between the Government and the giver of aid until the end of 2005, there have been awoke 16.200 new home that will be completed, 235 kilometers of roads had been restored and 335 new schools had been built (Commonwealth of Australia 2006).

Australia to provide assistance in support of the development in the economic and social sectors in Indonesia. Australia to grant program that will be executed in Indonesia, including \$ 1 billion from the AIPRD (the Australia-Indonesia Partnership for Reconstruction and Development) that focus on several sectors such as:

1. Strengthening economic growth and managed
2. Promoting democracy
3. Enhance security and stability
4. Make sure the basic needs to the people who need

While the AIPRD is a container of cooperation between Indonesia and Australia. AIPRD consists of a \$ 500 million grant and \$ 500 million in loans (Commonwealth of Australia 2006). Until the end of the year 2005 by as much as \$ 950 million of the \$ 1 billion available funding allocated AIPRD in various activities that had been agreed. Including:

- More than \$ 150 million for Aceh.
- \$ 300 million for basic education.
- \$ 328 million for the repair of the national road.
- \$ 78 million for postgraduate scholarships.
- \$ 50 million for government partnership in economic and public administration sectors.

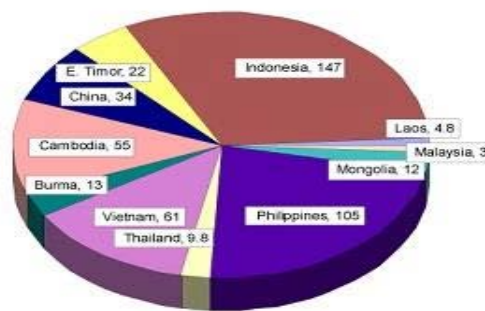
Out of a total budget of \$ 300 million will be used to build a secondary school facilities in areas that are still lags behind. In addition there is also a help to increase the ability of teachers.

In addition to AusAID Indonesia also provides assistance to other countries in Southeast Asia such as the Philippines, Viet Nam and Cambodia. Australia has also increased efforts to promote development in the Philippines. Australia will help in the areas of health, education, investment and infrastructure. The development of cooperation between Australia and the Philippines will focus on three priorities: economic governance, security and stability and rural poverty in the southern Philippines (Commonwealth of Australia. 2006). The program of training and education in that area is still very poor, especially the southern part will also be the main focus. Strengthening the education management and local education is what is

needed such as in Mindanao particularly in minority communities and isolated. Here Australia partners with UNICEF in education programs.

## USAID

United States as one of the developed countries often provide aid to other countries, including its allies. For example, Indonesia and the Philippines, Philippines as we know it is a close ally of United States in Southeast Asia area, while Indonesia is the new democracies and have a majority Muslim, the largest in the world. In both countries there is a suspected Islamic radical groups (Lum. 2008). United States is indeed being heavily against terrorism. The goal of USAID in Southeast Asia other than counter terrorism also focuses on education, unemployment, and poverty. Aside from the Philippines and Indonesia United States also provides assistance to other Southeast Asian countries such as Thailand, Lao PDR, and Cambodia (Lum. 2008). For the magnitude of United States foreign assistance to the Asian countries can be seen in the diagram below:



Source: U.S. Department of State.

**Figure 2 . U.S Foreign Aid (Non Food) to East Asian Countries, FY2007 est. (\$Million) Total \$467 million**

## USAID in Philippines

A bunch of us had a close ally NATO in addition in Southeast Asia is the Philippines. Since 2001, the Philippines received an increase in United States foreign assistance (Lum., 2008). The main purpose of this United States aid to the Philippines include: counter terrorism and peace, support the education of Muslims in Mindanao, promoting investment and economic improvement abroad, safeguarding the environment, improving civic system especially in conflict-affected areas in Mindanao. The magnitude of United States assistance in the Philippines can be seen in the table below:

Account	FY 2005	FY2006	FY 2007	FY 2008	FY 2009
CSH	27,050	24,651	24,362	24,967	20,043
DA	27,576	24,212	15,448	27,321	56,703
ESF	30,720	24,750	29,750	27,773	-
FMF	29,760	29,700	39,700	29,757	15,000
IMET	2,915	2,926	2,746	1,475	1,700
INCLE	3,968	1,980	1,900	794	1,150
NADR	2,257	4,968	4,198	4,531	4,625
Peace	2,820	2,767	2,820	2,753	-
<b>TOTALS</b>	<b>127,066</b>	<b>115,954</b>	<b>120,924</b>	<b>119,371</b>	<b>99,221</b>
Food Aid					
P.L 480	20,000	0	0	0	0
Title 1					
USDA					
FFP <sup>b</sup>	1,720	6,335	3,655	-	-
Section	5,644	0	0	-	-

Sources: U.S Department of State; U.S Department of Agriculture.

a. USAID data - includes freight costs.

b. USDA data- does not include freight costs.

**Figure 3 U.S Assistance to Philippines, 2005-2009 (thousands of dollars)**

### USAID in Indonesia

Most of the aid from the United States is initiating a program of education from 2004 for six years with a value of \$ 157 million (Lum. 2008). The second-largest United States aid to Indonesia was in the field of peace and security for the army and police of Indonesia in eradicating terrorism, transnational crime and others. The number of foreign aid provided will hopefully be able to rectify the situation and circumstances in Indonesia. Indonesia also requires cooperation in rooting out transnational crime. USAID also has a program called SERASI from 2008-2011. The program, which totaled US \$ 8.4 million in Aceh worked primarily on providing small grant to 74 local civil society organizations but also funded some support to Badan Reintegrasi Aceh and other local government institution (Baron et al).

Account	FY 2005	FY2006	FY 2007	FY 2008	FY 2009
CSH	37,100	28,017	27,507	25,737	30,883
DA	27,848	33,199	29,524	70,953	122,021
ESF	68,480	69,300	69,300	64,474	-
FMF	0	990	6,175	15,572	15,700
GHAI	0	0	250	-	-
IMET	728	938	1,398	927	1,500
INCLE	0	4,950	4,700	6,150	9,450
NADR	6,262	6,888	8,881	5,861	6,750
<b>TOTALS</b>	<b>140,418</b>	<b>144,282</b>	<b>147,321</b>	<b>189,674</b>	<b>186,304</b>
Food Aid/ Disaster Relief					
P.L 480	10,489	12,886	10,951	0	0
Title II					
FFP <sup>b</sup>	6,194	0	0	-	-
Section	9,078	0	0	-	-
Tsunami	400,000	-	-	-	-

Sources: U.S Department of State; USAID; U.S Department of Agriculture

- a. USAID data - includes freight costs
- b. USDA data - does not include freight costs
- c. Tsunami Recovery and Reconstruction Fund, P.L. 109-13

**Figure 4 U.S Assistance to Indonesia, 2005-2009 (thousands of dollars)**

### Double Standard of International Aid for Aceh

Realism think that no country would sacrifice his own interest for the sake of other countries interests. This idea still dominates the thoughts of international relations study, including the state way of thought. In case of International aid for Aceh by several states after the tsunami hit Aceh in 2006, also contain the double standard agenda. Two states such as USA and Australia for example were the most intense countries that provide aid for Aceh. The aid from both countries not only in the time of time of tsunami for the recovery of the people but also in the time of post-reconstruction. It cover several aspects such as reconstruction for building the physical construction, politic, social life, economic, and also education. After several years the reconstruction progress going well for the aspects which is aimed by the funding provider. In one hand they try to help people and government from third world country like solving the problem, but on the other hand they also try to seek benefit from their service in helping other party.

In this recent years we've been see that Australia, as one who provide aid for Aceh reconstruction, having conflict with Indonesia for several issues like human boat, spying, termination of economic cooperation, until the execution of "Bali Nine". The last issue is the most recent one. Australia were trying to show how their bargaining position by asking Indonesia to cancel the execution of their citizen which is captured by Indonesia authority in case of drug smuggling. Australia Prime Ministry Tony Abbot made a statement that Indonesia should thank to Australia after what they done to help Indonesia recover from disaster and also helping Indonesian people especially from Aceh by providing scholarship to study in Australia. With those reasons Indonesia, according to Australia, should not execute Australian citizen for the sake of bilateral cooperation between the two countries. That case show us how double standard work especially between Indonesia and Australia. So far USA not yet to show their other interest from helping Aceh but it will come up to surface sooner or later.

This condition is how dependency from the third world country to the great power, and Indonesia still in a very dependent condition concerning reconstruction in Aceh from other countries. With the condition in Aceh are going better, it can be sure that double standard from great countries will come to surface one by one. Then how Indonesia will have to face such a pressure? Because it is believed that this pressure will also giving impact on both Indonesia domestic and foreign policy, putting Indonesian government in a more difficult situation.

### **Integration of Asean and Dependency of Asean Countries**

Indonesia condition just one example of other ASEAN countries. Other ASEAN countries such as Singapore, Vietnam, Philippines, Cambodia, Lao PDR, and Thailand also have dependency for great state influence. In other word, the dependency of ASEAN countries to great power could impact their foreign policy, which is mean that ASEAN integrity also having dependency in great power willingness and interest toward this region.

For Indonesia, the case of Aceh can be example that other countries in ASEAN also have almost the similar case, also in case of Separatism of Papua which Indonesia really having trouble to solve until now. In Philippine, their relation with the USA has enter into a higher level since to Hainan typhoon hit the country in 2013. USA surely made double standard agenda in helping Philippine just like what they did to Indonesia with Aceh. Singapore economically having dependency in USA because they close relation and economic benefit from their bilateral cooperation, and also having good alliance with the ex-imperialist like Great Britain. While countries like Vietnam, Cambodia, Lao PDR having great dependency to great power like China, Thailand also has a good relation with the several great

powers because in the time of war they made as a buffer state so great power can gather there without harming each other.

With all that situation it is doubtful for ASEAN integration without calculating the great power interest in this region. Ignoring them could break the integration of ASEAN, or in other explanation is how ASEAN countries could please the imperialists with this integration so ASEAN agenda could sustainably continue.

### **Imperialism of Higher Education Sector**

Why International aid provided by great power aiming on education sector? It is because from education sector, great power can construct and teach of younger generation in other countries to accept their existence and interest. Like a smooth diplomacy to early win their interest with the next coming generation of foreign countries. In Indonesia, education in Aceh provided by great countries like Australia is one way to make good relation, or in other word dependency, between Aceh next generation toward Australia next generation. This is reason why Indonesia need to put a deeper concern about education especially in territory like Aceh to prevent over-dependency and brainwashing toward great power influence.

Indonesia has good Universities in Aceh that can contribute in shaping good human resource (Satria, 2014). But it need good cooperation between government and people in Aceh to escape from the dependency made by international aid by great power.

### **Appendix**

CSH	: Child Survival and Health (Replaces CSD/Child Survival and Disease)
DA	: Development Assistance
ESF	: Economic Support Funds
FFP	: Food for Progress
FMF	: Foreign Military Financing
GHAI	: Global HIV/AIDS Initiative
IMET	: International Military Education and Training
INCLE	: International Narcotics Control and Law Enforcement
NADR	: non-proliferation, Anti-terrorism, De-mining, and Related Programs
P.L. 480 Title I	: Food Aid (USDA loans)
P.L. 480 Title II	: USAID emergency food program
Section 416(b)	: Surplus Food Commodities
USDA	: United State Department of Agriculture

## BILBIOGRAPHY

- Aid Budget and Statistical Information, Australian Government The Department of Foreign Affairs and Trade, <http://dfat.gov.au/aid/aid-budgets-statistics/Pages/default.aspx>
- Baron, Patrick., Erman Rahmant and Kharisma Nugroho. "The Contested Corners of Asia: Subnational Conflict and International Development Assistance the Case of Aceh, Indonesia." Retrieved May 16, 2015 (<https://asiafoundation.org/resources/pdfs/AcehCaseStudyFullReport.pdf>)
- Budget and Spending, USAID, <http://www.usaid.gov/results-and-data/budget-spending>, published on February 09, 2015.
- Commonwealth of Australia. 2006. *Australia's Overseas Aid Program 2006-07*. Canberra. Retrieved May 16, 2015 (<http://www.budget.gov.au/2006-07/ministerial/download/ausaid.pdf>)
- Commonwealth of Australia. 2008. *Review of the Australia-Indonesia Partnership for Reconstruction and Development (AIPRD)*. Canberra: AusAID, Canberra.
- Frank, Andre Gunder, 1966, *The Development of Underdevelopment*, London: Monthly Review.
- Funding and Procedures, European Commission International Cooperation and Development, [https://ec.europa.eu/europeaid/funding/about-funding-and-procedures/sources-funding\\_en](https://ec.europa.eu/europeaid/funding/about-funding-and-procedures/sources-funding_en).
- Lum, Thomas. 2008. "U.S Foreign Aid to East and South Asia: Selected Recipients." Retrieved May, 16 2015 (<https://fas.org/sgp/crs/row/RL31362.pdf>).
- Satria, Randhi, 2014, *Peran Perguruan Tinggi di Daerah Konflik Negara ASEAN dalam Pembentukan dan Pemberdayaan Sumber Daya Manusia Demi Mendukung Perdamaian*, Surakarta.
- Shah ,Ritesh and Meike Lopes Cardozo. 2014. "Education and Sosial Change in Post-Conflict anf Post-Disaster Aceh, Indonesia." *International Journal Education Development*. Retrieved May 16, 2015 (<https://educationanddevelopment.files.wordpress.com/2008/04/wp19-ijec-aceh.pdf>).





# ENHANCING ASEAN INTEGRATION: THE ROLE OF AYLA AS A YOUTH ORGANIZATION TO PARTICIPATE IN ASEAN INTEGRATION

Muh Hidayat Hasan & Panji Raga

## ABSTRACT

*This paper aims to discuss the role of ASEAN Youth Leader Association (AYLA) as one youth organization that is active in South East Asian Countries to support ASEAN youth in developing their skills and potentials in order to be more active and cooperative in ASEAN countries. One interesting mission of AYLA is their initiative to involve in strengthening the relationship between ASEAN countries and also helping to create an integrated region. In the context of ASEAN integration process, not only government but also youth has a role to support the ASEAN Integration especially in some areas such as youth ability to influence government and to promote the values either in one country or regional level. This paper will describe the potentials of AYLA to support an integrated ASEAN Countries and challenges which is faced.*

**Keywords:** ASEAN Integration, AYLA, Potentials, Obstacles

## INTRODUCTION

### A. Background

ASEAN is a regional organization in Southeast Asian which was formed on 1967. The establishment of ASEAN itself has many goals to achieve, one of them is to strengthen the relation among countries in southeast asia.<sup>1</sup> It is shows that ASEAN was established to integrate countries in Southeast Asia become a powerful region. There are a lot of ways that can be used to integrate southeast asia region. As an example, the implementation of ASEAN Economic Community in the end of 2015. ASEAN Economic Community is an idea which used to achieve regional integration especially in Economic field. The Implementation of ASEAN Economic Community is expected to be able to fix the problem of economic in Southeast Asia especially for Cambodia, Laos, Myanmar and Vietnam. In the other words, the implementation of ASEAN Economic Community is used to minimize the gap in terms of Economy

---

<sup>1</sup> M. Coom, ' The Regional Economy Looking Forward by Looking Back' in D. Singh & T.M.M. Than (eds), Southeast Asian Affairs 2008, Institute of Southeast Asian Studies, Singapore, 2008, p. 30.

conditions, so then all of countries in Southeast Asia would be able to have a strong economy.<sup>2</sup>

However, the efforts to integrate the ASEAN region are still difficult to be implemented because there are a lot of constraints that ASEAN should be faced and solved. In this case, one of the actors who have an important role in creating an integrated region is youth. During its development, the role of youth has increased. The existence of the role of youth have been able to influence the government in determining the policies in a country. Besides that, not only the abilities to influence the government, youth also have an important role to promote the values either in a country or regional level. So then, youth could give a huge contributions in helping the governments to reach integration in Southeast Asia.<sup>3</sup>

Youth in ASEAN has started to realize their important role in realizing an integrated region by making a lot of ASEAN youth organizations. One of ASEAN youth organizations in Southeast Asia is AYLA (ASEAN Youth Leader Association). This paper would be interesting to discuss because it would determine the role of AYLA as a youth organization in Southeast Asia in helping the governments to achieve an integrated region.

## **B. Research Question**

How is the role of AYLA as ASEAN youth organization to strengthen the relations between countries in Southeast Asia?

## **C. Writing System**

This paper divided into several parts. The first part would describe AYLA organization, The second part would discuss about the potential of AYLA in strengthening the relations among countries in Southeast Asia, The third part would discuss the obstacles that would be faced by AYLA, The fourth part would discuss the potential which has not been maximized by AYLA as a youth organization in Southeast Asia, and the last part would conclude this paper.

---

<sup>2</sup> D. Narjoko, P. Kartika and T. Wicaksono, 'Narrowing the Development Gap in ASEAN' in M.G Plummer and C.S Yue (eds), *Realizing the ASEAN Economic Community*, Institute of Southeast Asian Studies, Singapore, 2009, P. 118.

<sup>3</sup> Regional overview Youth Asia and Pacific <http://www.un.org/esa/socdev/documents/youth/fact-sheets/youth-regional-escap.pdf> Viewed on 28 November 2015.

## CONTENTS

### a. ASEAN Youth Leader Association (AYLA)

AYLA is an ASEAN youth organization which created by five countries such as Cambodia, Indonesia, Philippines, Thailand and Singapore. At the beginning the purpose of the establishment of AYLA was as a place for ASEAN youth to get a lot of informations and knowledges through youth exchange program organized by AYLA. However, nowadays the vision and Mission of AYLA have changed. The vision of AYLA as a southeast asia youth organization is to assist ASEAN youth in developing their skills and potentials. So that, ASEAN youth can be more active and could cooperate with the governments in developing either their country or southeast asia region. Afterwards, the primary mission of AYLA is to assist the youth to prepare themselves in order to compete with youth from other countries in this world. In addition, the mission of AYLA is to strengthen the relations between ASEAN countries and helped to create an integrated region.<sup>4</sup>

In the next part, it would discuss the potentials of AYLA to achieve an integrated region in Southeast Asia.

### b. The potentials of AYLA to strengthen the relations between countries in Southeast Asia and to achieve an integrated region

As an organization consisting of youth, AYLA has a huge potential to provide a role in increasing the integration among countries in Southeast Asia. By utilizing the power of youth that active, creative and innovative, AYLA is believed become a youth organization in ASEAN which could enhance the relationship among countries in ASEAN. The Majority of the youth organizations are believed would give a positive impact<sup>5</sup> especially for children, adolescents, adults and everyone who lives around the are of that organizations. It is believed because based on a principle *Youth Participation of and leads "on better outcomes"*.<sup>6</sup> Koffi Annan, Former UN Secretary-General argue in his paper that youth have a lot of creative ideas, dinamic personality, a huge talent to influence the society, etc. Based on that, AYLA as a youth organization in Southeast Asia is expected to give a more roles in order to enhance cooperation and integration between countries in Southeast Asia region.

According to the mission of AYLA, forming a strong connection between members as representative of their countries, especially the youth on the upcoming ASEAN integration.<sup>7</sup> In line with that, at the end of 2015 or at the beginning 2016,

---

<sup>4</sup> AYLA [http://www.aylaintl.org/?page\\_id=94](http://www.aylaintl.org/?page_id=94) Viewed on 28 November 2015.

<sup>5</sup> Elliot Volkman. "How Youth Organizations Influence on Leadership Development" 4 July 2014. Viewed on [tech.co/youth-organizations-influence-leadership-development-2014-07](http://tech.co/youth-organizations-influence-leadership-development-2014-07) on Friday, 27 Nov. 2015.

<sup>6</sup> World Youth Report. "Youth Participation in Decision Making" Chapter 10. 2003. P.274.

<sup>7</sup> ASEAN Youth Leader Association Official Website. Viewed in [www.aylaintl.org/?page\\_id=182](http://www.aylaintl.org/?page_id=182) on 28 Nov. 2015.

ASEAN will announce the establishment and implementation of ASEAN Economic Community. Although that agreement is mainly focused to economic integration, but the establishment of ASEAN economic community is also expected to give an impact in influencing the integration in Southeast Asia region in terms of economic, security and social sciences.<sup>8</sup> The existence of ASEAN Economic Community should be an opportunity for ASEAN youth to demonstrate their role as an actor who give the influence in enhancing the integration in the region. The potentials that can be used are:

### 1. Social Movements

One of the things that most possible to do by youth is a social movement. Based on history, social movements is the most influential action, especially in policy making and determine the legitimacy of the regime in a state. Social movement has a very important role in making a change.<sup>9</sup> Indonesia, for example, the social movement undertaken by the community in 1998 resulted the changing of dictator leader of Soeharto into democracy and trigger the elections in 1999 and 2000. AYLA in the integration of ASEAN has done some Social Movements. In this case, one of the regular program that has been done by AYLA is *Friday Discussion* or routine discussions conducted with the members from every countries in southeast region at Friday night. On that occasion, AYLA will discuss a headline topic that underway in ASEAN and each participants would be given a time by the moderator to submit arguments on the topic of discussion.

However, social movements have become a part of the identity in ASEAN since it was established in 1967. The influences of social movements in determining the direction of a clear policy is based on public interest.<sup>10</sup> In addition, the strength of the influence of social movements are also expected could give a contribution and action as a reinforcement of integration in ASEAN. Some social movements are in line with the ASEAN integration such as NGO, AYLA, YSEALI, P2A (Passage to ASEAN) and APIMUN (Asia Pacific International Mutual Understanding Network) and still many more.

### 2. Cultural Exchange

Culture is one of the important and always be on international developments.<sup>11</sup> By increasing the understanding of the culture, it would have an impact in many areas of life such as education, environment, and up to a sense of unity as complementary. A country that has fully understood the importance of

---

<sup>8</sup> Jörn Dosch. "The ASEAN Economic Community: What Stands in the Way?" (2015).

<sup>9</sup> D Parvana & M Pichler. " Activism and Social Movements in South-East Asia" (2010).

<sup>10</sup> ackie Smith & Dawn Wiest. "Social Movements in the World-System: The Politic of Crisis and Transformation" (2012) p.89-91.

<sup>11</sup> S.B.Ø.Gjerlów. Seminar on Education, HIV/AIDS, Women's rights. "The Importance of Cultural Exchange, Cooperation and Volunteerism. (2005).

culture would give many positive changes to that country compared with other countries.<sup>12</sup>

Cultural exchange among youth in Southeast Asia is something unique that believed to improve the integration and relations between the countries in ASEAN. AYLA as a youth organizations in ASEAN in several occasions has made this effort. It is Proven with some programs that have been organized by AYLA in the promotion of culture by conducting a sustainable cultural exchange programs undertaken by ASEAN youth. Raising the awareness through culture is very important to respect the aspirations in the region and to strengthen the relationship between the youth.<sup>13</sup>

However, the cultural exchange between one country to others is very important to understand deeply the partner countries and more importantly to promote mutual understanding and strengthen the heart-to-heart contacts through cultural exchange.<sup>14</sup>

### 3. People-to-People Connection

In line with the development of international relations, the relationship among the people across the country become very often and important to note. ASEAN in particular, the connection between people is one of the goals to be achieved to realize the integration of regional balance.<sup>15</sup> In the *First Wave Regional Organization*, the regional organization's primary focus is the relationship between the state and other states as well as the relationship G to G (Government to Government). However, after entering the stage of *Second Wave Regional Organization* post-cold war, regional organizations initially focus G to G turns into P to P. This is happened due to the phenomenon in international relations which more complex and required a higher contribution from the people.

The second wave of this regional organization which creates a relationship between people to people should be a huge potential to improve integration in ASEAN. By looking at this opportunity, it is believed that AYLA as a youth organizations in ASEAN, has a very active role to strengthen the connections between nations. However, AYLA also still have obstacles that could affect ASEAN's efforts to integrate into a powerful region. Furthermore, it would explain about obstacles that may hinder the process of integration in Southeast Asia.

---

<sup>12</sup> S.B.Ø.Gjerløw (2005).

<sup>13</sup> Dr. Filemon A. Uriarte, Jr. ASEAN Foundation. "Promoting ASEAN Among the Youth"

<sup>14</sup> "Promotion of Mutual Understanding and Cultural Exchange with Foreign Countries. Viewed in [www.mofa.go.jp/policy/other/bluebook/1977-3-4.htm](http://www.mofa.go.jp/policy/other/bluebook/1977-3-4.htm) on 28 Nov 2015.

<sup>15</sup> ASEAN. "Kuala Lumpur Declaration on a People-Oriented, People-Centred ASEAN" viewed in [www.asean.org/news/asean-statement-communiques/item/kuala-lumpur-declaration-on-a-people-oriented-centered-asean](http://www.asean.org/news/asean-statement-communiques/item/kuala-lumpur-declaration-on-a-people-oriented-centered-asean) on 30 Nov 2015.

**c. The Obstacles that encountered by AYLA in increasing the integration among countries in Southeast Asia**

In carrying out its role as a youth organization that could strengthen the relations and integration in the region, AYLA still have some obstacles. The main reason being the fundamental basis of difficult to integration in ASEAN is carried Integration Gap which is still quite extensive. The gap that faced by ASEAN is composed of two sectors, the political and economic instability.<sup>16</sup> In the political field for example, the member countries of ASEAN itself has a differential political system. Decentralizing political systems Democracies are Phillippines, Thailand and Indonesia, the Post Conflict Democracies are Cambodia and East-Timor, a country with a system of Semi-Democracies are Singapore and Malaysia, system of government that shaped Socialist such as Vietnam and Laos, and ASEAN also has Authoritarian countries namely Brunei Darussalam.<sup>17</sup> Judging from the economic sector, the economic developmental gap is still high among countries in Southeast Asia.

Besides two basic things above, there is also the possibilities that would obstacles AYLA in promoting integration among countries in ASEAN. Some of them is the difference in a wide variety of ethnics, tribals, religions and beliefs that ultimately would make the atmosphere in ASEAN are becoming increasingly complex due to the large personal interest and Group Interest which would affect the development policy making. As a result, those things will hinder even to weaken the integration process among countries in ASEAN.

Integration to be achieved in an embodiment of the ASEAN countries have their respective ideologies in the region about the importance of cooperation with other countries. Ithen, it would encourage the countries where they are actually implemented. However, the merger of several countries as a member of ASEAN was seen slow by some parties that it becomes one of the factors inhibiting integration in ASEAN itself. ASEAN countries would be facing the ASEAN Economic Community in the end of 2015. Therefore, Asean Countries should be focus for it. However, there are a lot of factors could obstruct the purpose to integrate ASEAN region become a strong region. Those factors are:

**1. The Diversities of Tribe, Race, Ethnicity and Religion**

Most of the reasons that seemed pessimistic about integration in ASEAN is because ASEAN region is an area that has a diversities in ethnicity, race, eand religion so it would be difficult to form a unity like what has been achieved in the European Union. One of the main reasons why the EU is very easy to achieve the integration in the field of politics and economics are due to all the members have a

---

<sup>16</sup> Cao Sy Kiem. "East Asian Economic Integration: Problems for Late-Entry Countries" p.96.

<sup>17</sup> Andrew McGregor. "Southeast Asian Development". (2008) p.91-100.

lot in common, little difference especially in the religions field.<sup>18</sup> Based on this, it can be concluded that the differences are owned by ASEAN can become barriers to political and economic integration if it is not managed and well understood by the members.

The cultural diversities could be a problem when each member of ASEAN has not yet defined the ASEAN countries as a single entity, but still adhere to national identity and national interests of the country so that the goal to be achieved by ASEAN are always influenced by the goal of every country. When the ASEAN Economic Community by the end of 2015 had been planned, a lot of hopes and anxieties appears in each member state. According to Paulius Kuncinas has said, a Regional Editor for Asia at the Oxford Business Group *"It's a very efficient and ambitious trading bloc. But, it somehow got stuck in the part of reaching full economic integration, partly because of the official have not managed to explain the benefits well and also because the region's divergence"*.<sup>19</sup> Furthermore, the plan of the ASEAN Economic Community by 2015 could be conclude as an arena of economic integration in ASEAN countries fear it would become a *boomerang* and become competition for ASEAN itself so that it could become a factor which could breaking and forming the gap between countries.

## 2. Security

Security issues in ASEAN become one of the important factors which could obstacle an integrated region. The tension between countries could be effect to the difficulties in realizing that purpose. In this case because relations of the countries in Southeast Asia especially the countries which involved in that conflict or tension would be less harmonious. Here are a few examples of the problems that exist in Southeast Asia.

### a. South China Sea Disputes

South China sea disputes has involved several ASEAN countries such as Philippines, Malaysia, Vietnam, and Brunei Darussalam. Then, south China dispute has caused an instability in terms of regional security.<sup>20</sup> As a result, the relations between countries become less harmonious and it will

---

<sup>18</sup> K.K Tan. The Sund Daily. "ASEAN: The Case for Cultural m.thesundaily.my/node/215981 on 29 Nov 2015.

<sup>19</sup> Daryll. E.d Saclag. Business World Online. "Ahead of Integration, Analysts weight ASEAN diversity pros and cons" posted on 24 June 2014 take from [www.bworldonline.com/content.php?section=economy&title=Ahead-of-integration,-analysts-eight-ASEAN-diversity-pros-and-cons&id=899-25](http://www.bworldonline.com/content.php?section=economy&title=Ahead-of-integration,-analysts-eight-ASEAN-diversity-pros-and-cons&id=899-25) on 29 Nov 2015.

<sup>20</sup> ECC-Platform. "Fishing Dispute in The South China Sea". <https://library.ecc-platform.org/conflicts/fishing-dispute-south-china-sea> Viewed on 29 November 2015.

obstacle to reach an integrated region.<sup>21</sup>

#### **b. Border Disputes: Indonesia Vs Malaysia**

Border disputes between Indonesia and Malaysia caused by the controversy on land borders in nine points along the island of Kalimantan and Malaysian states Sabah and Sarawak. This conflict is still in the stage of negotiation and have not been resolved. From the data of conflicts and disputes above, it can be concluded that the thing that must be addressed and resolved by ASEAN to integrate regional is security. In this case because the conflict of security is an complex problem, when the conflicts or the tensions occurs protracted, it will trigger a conflict that involves armed forces.

### 3. The Economic Diversities

Beside the security conflict, Economic also become a factor which could be the obstacle for realizing an integrated region. Thus, because the economic condition in Southeast Asia countries have a huge of diversity in terms of the rates of GDP. For example, a comparison between the economy of Myanmar and Singapore which has a very big difference. And also, the state with the economy above average, Indonesia. According to the Governor of Bank Negara Malaysia Tan Sri Dr. Zeti Akhtar Aziz, the implementation of the ASEAN economic community is to integrate the ASEAN region especially in the economic field. Therefore, to realizing an integrated region, ASEAN Countries should prepare well in terms of economic Sector because if ASEAN Countries economics are not ready yet, it would widening the development gap in Southeast Asia.<sup>22</sup> The diversity of economic become the greatest challenge that ASEAN should be solved. So that, ASEAN Countries would be ready to face the ASEAN Economic Community in the end of 2015.

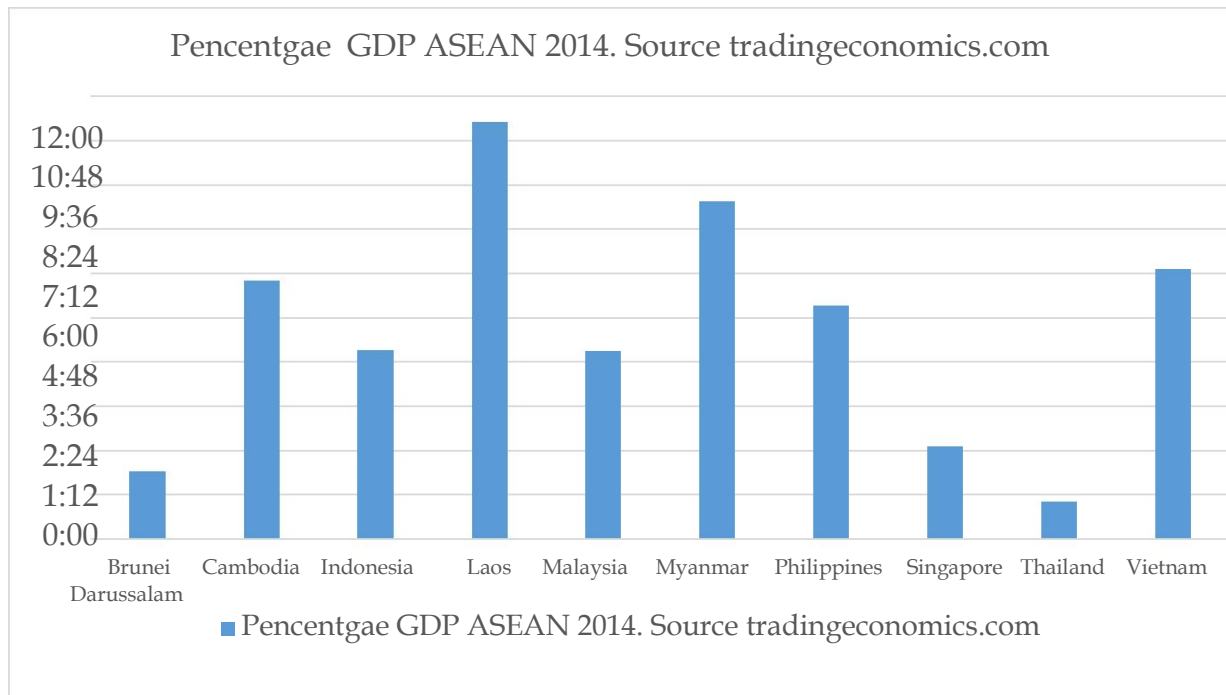
---

<sup>21</sup> R. Bonasir, Perundingan Sengketa Perbatasan RI-Malaysia 'Sulit Maju', 5 februari 2015 [www.bbc.com/indonesia/dunia/2015/02/150205\\_malaysia\\_indonesia\\_perbatasan](http://www.bbc.com/indonesia/dunia/2015/02/150205_malaysia_indonesia_perbatasan) Viewed on 29 November 2015.

<sup>22</sup> D. Wu, Rethinking the development gap: ASEAN's Inclusive Growth imperative, 22 May 2013, [thediplomat.com/2013/05/rethinking-the-development-gap-aseans-inclusive-growth-imperative/](http://thediplomat.com/2013/05/rethinking-the-development-gap-aseans-inclusive-growth-imperative/) viewed on 29 November 2015.



The diversity of economic in southeast asia can be seen through the rates of GDP.<sup>23</sup>



From ASEAN Countries' rates of GDP above region which has many diversities start from the culture, language, tradition and also economic. The diversity of Economic would be effected in inhibiting the purpose of the implementation of Asean Economic Community which integrate among southeast Asian countries. In the other words, it could slowed up the integration in southeast asia. ASEAN countries should fix the economic problem situation in their country fastly, so then their country can compete with another countries. Furthermore, it will be explained deeply the unaccomplished potencies by the youth of Southeast Asian in order to strengthen the relation among countries.

**c. The Potencial that has not been maximized by AYLA**

There are many things which could be potencies for youth to engage the integration in ASEAN, but it has not been maximized. If we combine the explanations regarding the potential and constraint above, there are some points that could be summed up as a breakthrough that could be done by AYLA as a youth organizations.

**1. The diversities of ASEAN**

The diversities in ASEAN as mentioned in previous part could become a serious threat in ASEAN integration itself. However, when viewed from the other side, these diversities would bring the benefit in Southeast Asia region.

<sup>23</sup> Trading Economics. [www.tradingeconomics.com](http://www.tradingeconomics.com)

The diversities in Southeast Asia region would be considered as a source to strengthen ASEAN itself. For example, the diversities of source in ASEAN is an unique strength to make this regional become a powerful region. Brunei Darussalam, as a country which is has a lot of resources in oil and gas. The agrarian countries, Indonesia, Filipina and Thailand. The industrial countries, Malaysia, Singapore and also Vietnam in those diversities 2000 so sources. Are believed that ASEAN can be realized the integration of ASEAN.

Furthermore, AYLA as a youth organizations in ASEAN have seen the diversities as an asset and a strength that must be developed and managed properly. With such understanding, AYLA has organized several cultural exchange programs in hope after attending the program, participants would be more aware and understand that diversity as an asset to create an integrated region in Southeast Asia.

## 2. People-to-people Connection

Regarding to the program that has been organized by AYLA, it can be concluded that AYLA has made an effort to make a connection among youth in ASEAN become stronger. However, these activities are still vulnerable, massive and quite respite for a long time. In addition, although the youth activities has frequently done but in its implementation, it still lack to demonstrate a significant development because the process has not showed to the good people connection.

Quoted from Forbes official website, there are seven pillars to connect with others. First, *Be Genuine*. The only connection that work will be the one that you truly care about; the world will see trough anything short of that. Second, *Massive Provide Help*. If you want to make a connection with someone, you have to give a real thought to who you could connect with them to get a benefit about their goals. Third, *Pay Attention*. When it wants to make connections with other people, try to always give serious attention, not just a concern. Others would be more appreciated if they observe seriously. Fourth, *Connect People close to them*. Fifth, *always be honest*. Sixth Persistence wins most battles, make real friends. Seventh, Remain unforgettable. One of the most important in making the connection is always to keep the connection continuesly and never leave the connection petrify. In this case, AYLA as an example in implementing cultural exchange programs held together youth from 10 countries in ASEAN. After ended the program, it is expected to follow-up further to the others program such as application the cultural activity in their own place.

## CONCLUSION

The role of AYLA as a youth organization is needed in integrating the countries in Southeast Asia. With the number of potentials that could be developed and used by youth, it is believed that the integration among ASEAN countries would be more easily to achieved. There are a lot of things that could become the potentials of AYLA to contribute in integrating ASEAN, they are as a Social Movements, organized the cultural exchange, make connections People-to People, and still many more. Nevertheless, there are still many inhibiting factors encountered by ASEAN such as the diversities in terms of ethnic, racial and religious tribes. In addition, regional security issues and economic gap also become an obstacle. Apart from that, this is become the task of AYLA to solved those obstacles. The diversities are not only seen as a threat, but also as an asset to develop ASEAN region.

AYLA's role, as a youth organization in S the integration among countries in Southeast Asia. Based on many amendable potencies of AYLA through youth, we are believed that the integration in Southeast Asian could be realized easily. There are so many potencies that AYLA could give to ASEAN such as Social Movements, Cultural exchange, People-to-People Connection, etc. Although there are a lot of potencies, there are still a lot of obstacles that can make the integration become plod. Those obtacles coming from regional security, economic gap, developmental gap, differential of ethnics, race, religion, etc.

## BIBLIOGRAPHY

### Books & Working Paper

- Coom M., ' The Regional Economy Looking Forward by Looking Back' in D. Singh & T.M.M. Than (eds), *Southeast Asian Affairs 2008*, (Institute of Southeast Asian Studies, Singapore: 2008), p. 30.
- Dosch, Jörn. "The ASEAN Economic Community: What Stands in the Way?" (EAST-WEST CENTER: 2015).
- Gjerløw, S.B.Ø. Seminar on Education, HIV/AIDS, Women's rights. "The Importance of Cultural Exchange, Cooperation and Volunteerism. (2005).
- McGregor Andrew. "Southeast Asian Development". (2008) p.91-100.
- Narjoko D., P. Kartika and T. Wicaksono, 'Narrowing the Development Gap in ASEAN' in M.G Plummer and C.S Yue (eds), *Realizing the ASEAN Economic Community*, (Insitute of Southeast Asian Studies, Singapore: 2009) P. 118.
- Parvana D & M Pichler. "Activism and Social Movements in South-East Asia" (ASEAS: 2010).

Smith Jack & Dawn Wiest. "Social Movements in the World-System: The Politic of Crisis and Transformation" (2012) p.89-91.

Sy Kiem, Cao. "East Asian Economic Integration: Problems for Late-Entry Countries" p.96.

World Youth Report. Chapter 10. "Youth Participation in Decision Making" (2003). P.274.

Uriarte Jr. Dr. Filemon A. ASEAN Foundation. "Promoting ASEAN Among the Youth"

### **Internet**

ASEAN Youth Leader Association Official Website. Viewed in [www.aylaintl.org/?page\\_id=182](http://www.aylaintl.org/?page_id=182) on 28 Nov. 2015.

ASEAN. "Kuala Lumpur Declaration on a People-Oriented, People-Centred ASEAN" viewed in [www.asean.org/news/asean-statement-communicues/item/kuala-lumpur-declaration-on-a-people-oriented-centered-asean](http://www.asean.org/news/asean-statement-communicues/item/kuala-lumpur-declaration-on-a-people-oriented-centered-asean) on 30 Nov 2015.

AYLA [http://www.aylaintl.org/?page\\_id=94](http://www.aylaintl.org/?page_id=94) Viewed on 28 November 2015.

Bonasir R, Perundingan Sengketa Perbatasan RI-Malaysia 'Sulit Maju', 5 februari 2015 [www.bbc.com/indonesia/dunia/2015/02/150205\\_malaysia\\_indonesia\\_perbatasan](http://www.bbc.com/indonesia/dunia/2015/02/150205_malaysia_indonesia_perbatasan) Viewed on 29 November 2015.

Daryll. E.d Saclag. Business World Online. "Ahead of Integration, Analysts weight ASEAN diversity pros and cons" posted on 24 June 2014 taken from [www.bworldonline.com/content.php?section=economy&title=Ahead-of-integration,-analysts-weight-ASEAN-diversity-pros-and-cons&id=89925](http://www.bworldonline.com/content.php?section=economy&title=Ahead-of-integration,-analysts-weight-ASEAN-diversity-pros-and-cons&id=89925) on 29 Nov 2015.

ECC - Platform. "Fishing Dispute in the south china sea". <https://library.ecc-platform.org/conflicts/fishing-dispute-south-china-sea> Viewed on 29 November 2015.

FICDC. "Asean's diversity: Asset or Liability?" posted on 24 April 2012. Taken from [www.ficdc.org/cdc2253?lang=fr](http://www.ficdc.org/cdc2253?lang=fr) on 20 Nov 2015.

K Tan K., The Sund Daily. "ASEAN: The Case for Cultural Heritage" 25 July 2013. Taken from [m.thesundaily.my/node/215981](http://m.thesundaily.my/node/215981) on 29 Nov 2015.

"Promotion of Mutual Understanding and Cultural Exchange with Foreign Countries". Viewed in [www.mofa.go.jp/policy/other/bluebook/1977-3-4.htm](http://www.mofa.go.jp/policy/other/bluebook/1977-3-4.htm) on 28 Nov 2015.

Regional overview Youth Asia and Pacific <http://www.un.org/esa/socdev/documents/youth/fact-sheets/youth-regional-escap.pdf> Viewed on 28 November 2015.

Trading Economics. [www.tradingeconomics.com](http://www.tradingeconomics.com).

Volkman Elliot. "How Youth Organizations Influence on Leadership Development" 4 July 2014. Viewed on [tech.co/youth-organizations-influence-leadership-development-2014-07](http://tech.co/youth-organizations-influence-leadership-development-2014-07) on Friday, 27 Nov. 2015.

Wu D., Rethinking the development gap: ASEAN's Inclusive Growth imperative, 22 May 2013, [thediplomat.com/2013/05/rethinking-the-development-gap-aseans-inclusive-growth-imperative/](http://thediplomat.com/2013/05/rethinking-the-development-gap-aseans-inclusive-growth-imperative/) viewed on 29 November 2015.



## STRENGTHENING ASEAN WOMEN'S PARTNERSHIP IN DEALING WITH THE EFFECTS OF FOREST FIRES IN SOUTHEAST ASIA

Salieg Luki Munestri, S.S., M.A., Dina Oktarina, Yasinta Dewi  
(International Relations Department, FISIP, Universitas Sebelas Maret)

### ABSTRACT

*Environmental issues have become central discussion in international forum. The impact of environment degradation is global problem. In ASEAN, environment has been seen a crucial issue to think about since it has multi dimensional implications on economic, social and cultural aspects. At least four major environmental problems need to encounter, such as air pollution, water management, deforestation, and climate change. This study will focus on the deforestation by forest crimes, focusing on forest fire. Today, environmental issues are perceived in a critical stage, demanding rapid legislative response. ASEAN has been actively engaged in dealing with global environmental issues along with the principle of achieving common goal but differentiated responsibilities. Initiated by the Manila ASEAN's 1981 Declaration on the Environment, all of the ASEAN members must play part in supporting the growth of environmental awareness. Every part of the government, community, and individuals hold the responsibility over environment protection. Focusing on the effect of wildfire smoke, breathing it may result some problems in human body. Healthy adults and children will not suffer long term consequences of the smoke. Unfortunately, the case will be different for people with respiratory problems, the elderly and pregnant women. Due to the impacts of fire smoke exposure for women, they have to be more active to deal with the issues. This writing will be a descriptive qualitative one, with literary discussion. Strengthening the roles of the existing partnerships which are highly demanding to cope with the forest fires problems will be the focus of this writing.*

**Keywords:** *environment, degradation, ASEAN, forest fires, partnerships*

## Background

In the contemporary era, environmental issues have become a central discussion in international forums as a new problem that threatens the world. The impact caused by the environment degradation itself becomes a global problem for the countries in the world, because it has massive impacts. The environment issues becomes common problem and global responsibility, especially for countries in the region like ASEAN. The environment is an important issue and needs special attention, because the environment has the multidimensional implications aspects of economic, social and cultural. For the ASEAN countries, at least four issues related to primary environmental problems need to encounter, such as air pollution, water management, deforestation, and climate change.

Many environment problems appear and become a responsibility for all the ASEAN countries, one of them is the problem of forest fires that often occur caused by deforestation and forest crimes. The ASEAN region have many forests, almost of all ASEAN member countries have forest area, except the Singapore that does not have forest area. Even Indonesian as a member of ASEAN itself is included as the top ten countries that has large forest area. In 2005, known that the forest area owned by South and Southeast Asia is an area of 283.127 ha, and before there were 297.380 ha in 2000.<sup>24</sup> Indonesia is one of the ASEAN member countries with the highest number of forest and also with a high level of forest fires reached 11.7 million hectares in 1997 to 1998.<sup>25</sup>

Problem related to forest issues such as forest fire itself has a massive impact to the global society, where the smoke from forest fires can be a problem of air and water pollution for countries that are in one area, so that is a joint problem for the countries in the region. Air and water pollution will create breathing problems by inhibiting the respiratory tract and blood circulation of humans who inhale or consume the contaminated water and air, even potentially cause cancer in the human body. The impact of forest fires itself not only will have an impact on health, but also in loss of biodiversity and disrupt all sectors, such as education, nature, and to the economy of a country is hampered due to the smog that interferes with the activity.

The forest fire have massive impacts on the health of all people, both men and women, and young or old. But the most impacts are felt by women, in which healthy adults and children will not suffer for long-term consequences of the smoke. However, this case will be different for the elderly and pregnant women who have a respiratory problem, where the condition of women is susceptible against various diseases. Women also constitute to the direct contact with various media like

---

<sup>24</sup> Suryanto, "Hutan Sebagai Sumber Daya Dunia," *Dipterokarpa* 6 (1) (2012): 68, See 23 Mei 2015.

<sup>25</sup> Luca Tacconi, *Kebakaran Hutan di Indonesia: Penyebab, Biaya dan implikasi Kebijakan*, (Bogor: Center for International Forestry Research, 2003).



contaminated water every day. Air and water pollution caused by the smoke of forest fires is also very susceptible for pregnant women and female reproductive organs of its own, it can even lead to the fetus in the womb of women. Because women herself is victims of the most disadvantaged in the forest fire problem, so women become the closest actors to the environment.

According to the 1981 ASEAN Manila Declaration on the Environment, all ASEAN member governments must play a part in supporting the growth and development of environmental awareness. Because the issue of forest fires itself felt has reached its critical stage, so it need for a rapid legislative response from the government. This problem itself is not just a problem for the government alone, but to all community, individuals, and businesses that have an equal role in preventing forest fires. There is no exception, that women also became an actor in the prevention and mitigation of the impact of forest fires.

Women and environment is considered to have a close relations, where women as one of the actors who contribute to the destruction of environment, also becomes the agent of change in the prevention of environmental damage. That was due to the severe impact of exposure to fire smoke for women, then women should be more active in addressing the issues, especially forest fires. However, when the effects of the fire itself is very harmful to women, the role of women in prevention efforts as well as forest fire fighting itself is very small. Because of that, the author feel that we need to strengthening the role of women in the existing partnerships as an effort to prevent and tackle the fires.

## **Methodology**

This writing is a descriptive qualitative one, which describes condition of the existing partnership related to environmental problems and strengthening the role of women in these efforts. The data in this research is secondary data that obtained through literary discussion and review of the literature, by collecting data from various existing literature like journals, books, and Internet sites. Data analysis technique used is qualitative data.

## **Ecofeminism: Women and Nature**

Many experts consider that women and environment have a close relation, where the women and the environment have the same position in the patriarchal domination. According to these ideas, there were an emerging theory known as ecofeminism, which is derived from the combination of the word "ecology" and "feminism" which includes the idea that oppression is common against women and the destruction of nature have a closely related. Ecology itself can be interpreted as a study of the relations between human groups and the physical-social environment,

while feminism can be interpreted as a consideration and movement toward political equality, economic and social of women and men.<sup>26</sup>

Ecofeminism itself introduced by Francoise d'Eaubonne in 1974. As a French feminism, He use the basic principle of equality between the sexes, a re-evaluation of non-patriarchal structure that occurred, and the world view that respects the organic process of nature.<sup>27</sup>

Ecofeminist movement itself was born from series of conferences and workshops organized by a coalition of academic and professional women during the 1970s and early 1980s.<sup>28</sup> This movement is based on the condition of women and nature, that they have the same condition at the time. Both women and environmental movement is based on the condition of women and nature that has the same state at the time, in which both women and the environment as a result of persecution from existing patriarchal system.

From the first, Women has been regarded as an actor who has a close relations with nature and become the personification of nature, where the women are often mythologized with nature. Discrimination and oppression based on sex against women themselves have direct linkages fundamentally with the exploitation and environmental damage. Where it is considered that oppression often happens to women as well as the destruction of forests, and the exploitation against women and nature will continue to happen because people see that both women and nature become a source of life and provide everything desired. Nature provides all available resources for humans to fulfill the needs of everyday life, that is the same as the position of women in the family that have duty to provide all the needs of her husband and her children every day.

Women are part of nature itself, both in personification and practice. So that a variety of forest destruction like forest fires occurred that has related to violations and marginalization experienced by women. Unfairness that is often experienced by a woman alone begins at injustices committed by humans against non-human, that is also happen to the forest. When society itself was formed on the basis of values and beliefs, then the oppression of women occurs on the basis patriarchal that carried out by men to the capitalist.

When women use a lot of products that have an impact on increasing waste and environmental pollution, and then the women and the environment also has a close relations, that makes women become agents of change to create a better environment. Basically nature conservation is a responsibility to all people, but women who more often use water, soil, plants and other natural elements to fulfill

---

<sup>26</sup> Winifred Fordham Metz, "How Ecofeminism Work," See 19 Mei 2015, <http://science.howstuffworks.com/environmental/green-science/ecofeminism3.htm>.

<sup>27</sup> Kathryn Miles, "Ecofeminism," See 19 Mei 2015, <http://www.britannica.com/EBchecked/topic/765750/ecofeminism>.

<sup>28</sup> Ibid.,

the needs of families in everyday life, so that women have a great role and duty to maintain sources of life can be sustained. Therefore, ecofeminist tried to describe the linkages between the domination of women and the environment is very significant to understand why the environment is an issue of feminism, and why the issue of feminism itself can be classified as a concentration in environmental. So that ecological feminism is used to refer "to a sensibility, an intimation, that run parallel to feminist concerns, are bound up with, or, perhaps, one acre with a natural concern for roomates world has been subjected to much the same abuse and ambivalent behavior as have women".<sup>29</sup> Although many view related ecofeminism according to experts, but in essence have the same focus, that the domination of women and nature dominance intimately connected and mutually reinforcing.

Women have the right to contribute to maintain, preserve the environment well and also can keep the environment from the smallest area. Therefore, women have strong connection with the environment. In her role as manager of the household, women are more interacting with the environment and natural resources. The impact of environmental degradation is more often felt by women. A simple example is the availability of water, reduced water availability is perceived women because they are the largest users of water in the household. In addition, the presence of smoke generated from forest fires, is a threat to them, especially for pregnant women because that will have an impact also on the fetus.

On the basis of the relations between women and nature, women as agents of change for the condition of nature itself has an important role in preventing and addressing forest fires.

Forest fires that have massive impact for the all regions, and the impact on health is very dangerous even doubled from the dangers of cigarette smoke, especially for the reproductive organs of women and for women who are pregnant. The closeness between the women and the environment itself made women's participation in addressing environmental problems are considered to be more effective.

### **The Effects of Forest Fires toward Women**

Beside the fact that forest fires are a forest crime, it also has many negative effect toward human and nature. The negative effects are polluted nature that could endanger human health and slowing down the economic growth of a country. A forest fire produces particles that can pollutes water including rivers and water sources which are consumed by people. It also causes the lost of genetic resources such as trees, vegetation, and animals. Furthermore, it causes Bio- Physic, a condition in which soil directly receives sun's heat and water flow, for it has

---

<sup>29</sup> Khangembam Romesh, "Ecofeminism: Women and Nature," *International Journal of Humanities and Religion* 1(1) (2012): 9-19, dilihat 19 Mei 2015.

already lost its topsoil and other organic materials.<sup>30</sup> It can decrease water supply and soil fragile from erosion. When a fire happens in a same area many times, it could destroy soil's organic material and microorganism that is useful for soil fertility. Fires that happen in upper course of river can decrease the quality of area. It makes erosion and flood which cause trivialization of rivers, lakes, and dams.

Forest fires also cause climate changes. The smoke disturbs transportation activity for the visible distance is limited. In addition, forest fire affects people economy. As the result of bio- physic changing, people and state income in several sector such as forestry, farming, industry, trade, and tourism is decrease. However, the result show that smoke of forest fire that happens in many areas is more danger than cigarette smoke that has nicotine.<sup>31</sup> In addition, small particles that are caused by fire forest not only pollute the nature, but also endanger human life. Polluted water and air can endanger human who consume them. In relation with forest fire, women are who receive the biggest negative effect and find many burdens to take advantage of forest and natural resources. Generally, women are who suffered more from the negative effect of forest fire, the Government do not take attention to it, though. The effect of forest fire could be seen in three aspects which are health, social, and economic gap. First, it could endanger women health. Polluted air that is caused by forest fire causes women and children get lung infection, and most of them are in critical condition.<sup>32</sup> Moreover, the smoke can endanger pregnant woman and her baby. It could make the baby has mental illness if they breath the polluted air.

Reviewing, that the impact of forest fires may lead to very smooth dust particles, which hazardous-level air that is causing methane and carbon dioxide. So the quality of the oxygen that decreases would affect brain cells, especially toddlers. And in the long term "intelegency" children will decrease and fatal being an idiot. As for pregnant women will also be susceptible to disease and also have an effect on the fetus because of the conditions that have been contaminated okisigen below the limit will affect the health of the mother. Which with no maximum quality of oxygen due to the smoke would damage the cells in fetal tissue, so that the cells in the fetal brain can not develop normally and his IQ in children can be low. So also the posture of the fetus at birth may shrink due to the condition of the air intake is given as a result of his mother, in which the air has to contain methane and carbon dioxide and fine dust particles residual forest fires.

---

<sup>30</sup> Forum Hijau Indonesia, "Kebakaran Hutan dan dampaknya terhadap lingkungan", dilihat 22 Mei 2015, <http://forumhijau.com/kebakaran-hutan-dan-dampaknya-terhadap-lingkungan/>

<sup>31</sup> Gabriel Abdi. "Asap Kebakaran Hutan 1.000 Kali Lebih Bahaya Dibanding Asap Rokok", dilihat 22 Mei 2015, <http://health.liputan6.com/read/620877/asap-kebakaran-hutan-1000-kali-lebih-bahaya-dibanding-asap-rokok>

<sup>32</sup> Bonnie Kertaredja. "Hutan dan Perempuan" See 22 Mei 2015, <http://www.kabarindonesia.com/berita.php?pil=4&dn=20081021084050>.

Upon, the same thing also happened in relation to water pollution, which is where women are generally more affected worse because they are the first and is always in contact with contaminated water. The occurrence of forest fires has made them no choice but to use the polluted river, they often use water that has been terkontamisasi by colli bacteria. In general, forest fires have caused them to have difficulty accessing clean water.

Second, Social Jealousy, forest fires led to the marginalization of workers, especially women. In fact, the various activities of the forestry industries and mining prefer male workers than women because men can be superior to perform the repair of forest damage. Upon, womens considered can only take care of the household than manage forest sustainability. Proved that many womens are not included in all policies of management forest in their area. Though women's participation is absolutely necessary in the management of forest. Then, marginalization is exactly what will create social jealousy for womens. Moreover, if in the workplace between men and women do not get equal treatment. These constraints could lead to violations of basic rights, and hamper women the opportunity to play a role in preserving the environment as a result of the forest fires.

Third, economic disparities, with the occurrence of forest fires caused a lot of women who were excluded from work related to the management of natural resources by the forest industry and mining activities. Thats condition also is not only related to gender marginalization but the economic gap. Economic disparities will result in the loss of a livelihood and led womens who have been dependent on forest products are not able to do activities that affect her income. The unresponsive policies for gender have make women more vulnerable, especially with the increasing burden of poverty of women and in turn will harm the economy of a country in view of the loss of the great contribution women can be given through the workplace. Economic disparities will also impact upon the life of working women and the whole family, especially when women are the sole breadwinner and single parents. This gap will also contribute to the poor living conditions and poor nutrition. This will certainly have a big impact on the government to eradicate poverty and hunger.

Whereas women have a role in the preservation of nature because women are part of nature, both in imagination and in practice. Reviewing that in relegius tradition and culture, women are seen close to nature. Women assumed as the earth and nature symbolized as a wise woman who arranged everything. It shows the relationship between human beings, especially women with nature and the surrounding environment.

However, the perception of nature change when rationalism that gave birth to the science and technology dominate human thought. Where nature is no longer

honored, as well as women, but as a machine set up and run for a specific purpose (serve mankind). So since then, nature have controlled and exploited indefinitely. It was also confirmed male authority over its dominance against women. Rationalism create its own laws forming technology over nature. Through science, the frame of mind of men imposing its transcendence over nature. Along with the increasingly dominant culture patriarkhi. Women are no longer involved decision-making process, including in terms of environmental management. Patriarchal view point it is also likely to deliver policies that do not consider the balance of the ecosystem and restrict the movement of women. Then there was a massive exploitation of nature, and the exclusion of women. It is also related to the eco-feminism, which must be equality between men and women in environment-related.

### **Strengthening ASEAN Women's Partnership**

Forest fires not only have an impact on the environment, but the woman. Women become the main target will be the environmental damage. Before going on the efforts to be undertaken, it will first be reviewed from "ASEAN Women's Partnership for Environmental Sustainability First ASEAN Ministerial Meeting on Women", which in AMMW discussed the achievement of high environmental standards, where environmental sustainability is not only the responsibility government, but society.

This policy aims to ensure that women and men do their best in all areas of life. Will review the case, the government will have to approach gender equality by improving education, knowledge, skills of women so that women can play a role to contribute effectively to environmental protection. Where a good education will provide a solid foundation for their success. With the improvement of the gender perspective will be able to achieve a clean environment and healthy living. In addition, ASEAN also sought on improving the gender perspective in ensuring environmental sustainability focus by providing opportunities for women, which ensure that women can participate effectively in the formulation, implementation and evaluation of policies and programs related to environmental sustainability. On the other hand, the government also had to approach and mobilize the entire society, including the private sector and communities to achieve environmental sustainability.

In addition, efforts to increase women partnership is also related to the Declaration "The Advancement of Women in the ASEAN Region Bangkok, Thailand 5 July 1988", in point 4. Which one point mentions a policy to design and promote programs involving the participation of community organizations and non-governmental women to strengthen national and regional resilience. In addition, efforts to increase women partnership is also related to the "Vientiane Declaration

On Enhancing Gender Perspective And Asean Women's Partnership For Environmental Sustainability" in which women have a role in addressing social and environmental impact of deforestation and agricultural land pengalohan to industrialization and urbanization.

Based on the 1988 Declaration on the advancement of women in ASEAN and the Vientiane Declaration on enhancing gender perspective and ASEAN women's partnership for environmental sustainability, there have been several efforts made by ASEAN countries to improve the participation of women in different sectors like economy, social and political. Governments of ASEAN countries began to consider the important role of women in the various sectors, one of which is the increased participation of women in Small and Medium enterprises (SMEs) and tourism in a country, for example in Thailand. In this contemporary era itself, liberalization has brought great changes to the country of Thailand. With the change of environment condition that continues to happen, then the women in Thailand must be able to understand and keep up with the new conditions and challenges arising from global competition. Therefore, women need to increase knowledge, improve skills and capabilities to be able competing with the international community. The policy of Thailand also become one of the factors that make women's participation in the economic sector is constantly increasing.

By increasing the participation of women in Small and Medium enterprises (SMEs), Small and medium enterprises become a key components in Thailand recent economics development and reforms. The 2004 survey of establishments indicated that out of 2 million enterprises, 99.5 per cent of them are classified as SMEs.<sup>33</sup>

**Table 5. Employed persons by work status by sex, 2005 (In thousands)**

<b>Work status</b>	<b>Male (percentage)</b>	<b>Female (percentage)</b>
Employer	874 (4.48)	256 (1.52)
Government employee	1,670 (8.57)	1,393 (8.27)
Private employee	6,986 (35.8)	5,797 (34.4)
Own account worker	7,280 (37.4)	4,167 (24.7)
Unpaid family worker	2,635 (13.5)	5,191 (30.8)
Member of producers' cooperatives	24 (0.12)	27 (0.16)
<b>Total</b>	<b>19,470 (100)</b>	<b>16,832 (100)</b>

*Source: National Statistical Office, Report of the Labour Force Survey, July-September 2005*

Increasing role of women cooperation continue to occur in Thailand, it shows that women are less than men likely to be operating an enterprise of any

---

<sup>33</sup> "Third Report on The Advancement of Women in ASEAN," ASEAN, (Jakarta: ASEAN Secretariat, 2007).

size. In addition, where they work for family enterprises as unpaid family worker. Awareness of women's work to help family enterprises greatly affect for the improvement of the economic sector in Thailand, thus promoting the participation of women in small and medium enterprises (SMEs) and tourism itself regarded as an appropriate program in advancing women in ASEAN.

Other programs is market based gender issues that have been implemented in some countries, one of them was implemented in west Kalimantan, Indonesia. The program is implemented under the Brunei Darussalam, Indonesia, Malaysia and Philippines- East ASEAN Growth Area (BIMP-EAGA). BIMP-EAGA is Asia's Reviews largest sub-regional grouping, spanning territories of four ASEAN member Countries that combines has a land area of around 1.5 million sq kms and combines sea area.<sup>34</sup> BIMP-EAGE was established to improve the performance of similar enterprises in four adjoining countries. Market based gender issues program is made to ensure that the trade sector does not worsen gender inequalities.

Many efforts to increase the role of women in the various sectors of economic, social and cultural have been continue to increase and become a importance issue in the ASEAN region. In the environmental sector too, there are many programs as part of efforts to enhance the participation of women in maintaining the existing environment. When women and the environment has a close relations between each other according with the existing theory of ecofeminism. The Efforts to increase women's participation in maintaining their own environment can be improved by involving women in various environmental activities, like the flora and fauna conservation program steps, the manufacture of products based environment, reduction of water use in everyday life, and various other programs related to environmental issues.

In the environmental sector, women have a greater chance to be able to empower the existing forest. The efforts are made to be able to guarantee the traditional rights of women in the utilization of natural resources such as forests and results. So that women and men get equal access to the region, as well as forest use rights. The efforts to increase the role of women towards empowerment of the forest itself has been carried out in Indonesia, where the signatories of the Memorandum of Understanding (MoU) by the State Ministry for Women's Empowerment and Child Protection with the Minister of Forestry on increasing the effectiveness of gender mainstreaming in the field of forestry.<sup>35</sup>

However, programs related to environmental issues undertaken by ASEAN countries to include women less touches on the problem of deforestation is a problem in the ASEAN region. When the role of women in efforts to prevent and

---

<sup>34</sup> Ibid.,

<sup>35</sup> "Perempuan diberi Kesempatan untuk Berdayakan Hutan," Republik Indonesia Ministry for Women's Empowerment and Child Protection, 2 Agustus 2011, dilihat 23 Mei 2015,



cope with forest fires has not increased. Women who have close ties with the environment itself has an important role and become agents of change in preventing and overcoming the impact of the fires.

Based on the 1998 Declaration of advancement of women in the ASEAN Region Bangkok, recognizing the importance of active participation and integration of women in the region in sharing the future development and progress of ASEAN and the necessity of meeting the needs and aspiration of women in the ASEAN Member Countries. Point 1 on The 1998 Declaration of advancement of women in the ASEAN, to promote and implement the equitable and effective participation of women whenever possible in all fields and at various levels of the political, economic, social and cultural life of society at the national, regional and international levels.<sup>36</sup> And point 4 on The Vientiane Declaration on enhancing gender perspective and ASEAN women's partnership for environmental sustainability, commitment to promote Women's capacity in coping with the social and environmental impacts of deforestation and diversion of agricultural land for industrialisation and urbanization.<sup>37</sup> Based on the two declaration of women role in ASEAN, the women have the right to play a role in preventing and addressing the issue of forest fires as a deforestation problem that affect air and water pollution for ASEAN member countries.

Therefore, we would like to suggest that ASEAN's efforts on strengthening ASEAN women's partnership in dealing with the effects of forest fires in Southeast Asian must be focus on the following points:

1. Educate women and enhance reviews their knowledge and skills about forest fire, so they can contribute effectively to the protection of our forest. Education is very important because of limited public understanding about the impact of forest fires on ecosystems, health and economy, as well as the vagueness of the various causes of forest fires as a result of economic uncertainty and institutional response to forest fires.<sup>38</sup> By being under the auspices of ASEAN, women, especially those living in rural areas around the forest given education related to forest protection, forest utilization and the danger of forest fire itself. The teaching program can be carried out under the auspices of ASEAN which can cooperate with a variety of women's partnerships that exist in each of the ASEAN member countries,

---

<sup>36</sup> "Declaration of the Advancement of Women in the ASEAN Region Bangkok, Thailand, 5 July 1988," ASEAN, See 11 Mei 2015, <http://www.asean.org/news/item/declaration-of-the-advancement-of-women-in-the-asean-region-bangkok-thailand-5-july-1988>.

<sup>37</sup> "Vientiane Declaration On Enhancing Gender Perspective And Asean Women's Partnership For Environmental Sustainability," ASEAN, 19 Oktober 2012, See 11 Mei 2015, [http://www.asean.org/images/2012/Social\\_cultural/ACW/Press\\_release/First%20draft%20of%20Vientiane\\_Declaration\\_of\\_AMMW\\_FINAL.pdf](http://www.asean.org/images/2012/Social_cultural/ACW/Press_release/First%20draft%20of%20Vientiane_Declaration_of_AMMW_FINAL.pdf).

<sup>38</sup> Luca Tacconi, *Kebakaran Hutan di Indonesia: Penyebab, Biaya dan Implikasi Kebijakan*, (Bogor: Center for International Forestry Research, 2003).

as for example the Singapore Council of Women's Organizations, the Lao Women's Union, the All Women's Action Society (Malaysia) and others.

2. Provide opportunities and ensure that women are able to participate effectively in formulation, implementation, evaluation of policies and programmes pertaining to forest fire. Because one of the factors that makes forest fire still occurs is confusion in the existing policy, so the forest fire laws should be more emphasized.

## **Conclusion**

Forest fires have an impact on the ecosystem and environmental damage, and therefore takes part in environmental conservation. Women also have a role in the preservation of the environment moreover household work, that begins with attention to issues of water, energy and other natural resources have made the existence of women close to the environment. Reviewing that the current position is always marginalized women in most parts of the world, may be it is similar to those experienced by our planet. Unfavorable treatment of women is a picture that both the earth and women get unfavorable treatment resulting in damage and suppression.

Based on point 1 and 4, the 1988 Declaration on the advancement of women in ASEAN and the Vientiane Declaration on ASEAN enhancing gender perspective and women's partnership for environmental sustainability point 4. Women have a vital role in maintaining the state of the environment, because in any life, anywhere they are very closely related to the environment that need extensive knowledge how to utilize wisely the environment. The relationship between women and the environment itself in accordance with the views of ecofeminism that links the relationship between ecology and feminism in relation to each other. In practice, the implementation of the 1988 Declaration and the Vientiane Declaration, environmental preservation efforts made by women themselves have not put the attention on forest fires is one of the problems in the ASEAN region.

Based on this, it is necessary to increase the participation of women in preventing and overcoming forest fires that occurred in the ASEAN region. Increased participation of women themselves can be done by strengthening women's ASEAN partnership. Some recommendations to authors give is Educate women and Enhance Reviews their knowledge and skills about forest fire, so they can Contribute Effectively to the protection of our forest, and provide opportunities and Ensure that women are Able to Participate Effectively in formulation, implementation, evaluation of policies and Programmes pertaining to forest fire.

## REFERENCE

- Abdi, Gabriel. "Asap Kebakaran Hutan 1.000 Kali Lebih Bahaya Dibanding Asap Rokok", See 22 Mei 2015, <http://health.liputan6.com/read/620877/asap-kebakaran-hutan-1000-kali-lebih-bahaya-dibanding-asap-rokok>.
- ASEAN. "Declaration of the Advancement of Women in the ASEAN Region Bangkok, Thailand, 5 July 1988." See 11 Mei 2015. <http://www.asean.org/news/item/declaration-of-the-advancement-of-women-in-the-asean-region-bangkok-thailand-5-july-1988>.
- ASEAN. "Third Report on The Advancement of Women in ASEAN." Jakarta: ASEAN Secretariat, 2007.
- ASEAN. "Vientiane Declaration on Enhancing Gender Perspective And Asean Women Partnership For Environmental Sustainability." 19 Oktober 2012. See 11 Mei 2015. [http://www.asean.org/images/2012/Social\\_cultural/ACW/Press\\_release/First%20draft%20of%20Vientiane\\_Declaration\\_of\\_AMMW\\_FINAL.pdf](http://www.asean.org/images/2012/Social_cultural/ACW/Press_release/First%20draft%20of%20Vientiane_Declaration_of_AMMW_FINAL.pdf).
- Forum Hujau Indonesia. "Kebakaran Hutan dan Dampak terhadap Lingkungan". See 22 Mei 2015. <http://forumhijau.com/kebakaran-hutan-dan-dampaknya-terhadap-lingkungan/>.
- Kertaredja, Bonnie. "Hutan dan Perempuan" See 22 Mei 2015, <http://www.kabarindonesia.com/berita.php?pil=4&dn=20081021084050>.
- Metz, Winifred Fordham. "How ecofeminism work." See 19 Mei 2015. <http://science.howstuffworks.com/environmental/green-science/ecofeminism3.htm>.
- Miles, Kathryn. "Ecofeminism." See 19 Mei 2015. <http://www.britannica.com/EBcheck-ed/topic/765750/ecofeminism>.
- Republik Indonesia Ministry for Women's Empowerment and Child Protection. "Perempuan Diberi Kesempatan untuk Berdayakan Hutan." 2 Agustus 2011. See 23 Mei 2015. <http://www.kemenpppa.go.id/index.php/publikasi/berita/11-perempuan/222-perempuan-diberi-kesempatan-untuk-berdayakan-hutan>.
- Romesh, Khangembam. "Ecofeminism: Women and Nature." *International Journal of Humanities and Religion* 1(1) (2012): 9-19. See 19 Mei 2015.
- Suryanto. "Hutan Sebagai Sumber Daya Dunia." *Dipterokarpa* 6 (1) (2012): 68. See 23 Mei 2015.
- Tacconi, Luca. *Kebakaran Hutan di Indonesia: Penyebab, Biaya, dan implikasi Kebijakan*. Bogor: Center for International Forestry Research, 2003.



# ENHANCING ASEAN FINANCIAL LITERACY FOR BETTER ECONOMY AND SHARED PROSPERITY

Kiky Srirejeki<sup>1</sup>

Faculty of Economics and Business Universitas Jenderal Soedirman

Email: kikysrirejeki@gmail.com

## ABSTRACT

*ASEAN Economic Community (AEC) will lead to greater accessibility to financial market. It is very good to foster economic condition, especially in terms of more investment choices and financial products. But the accessibility to financial markets also created an environment in which nations are increasingly susceptible to financial market shocks. This makes the overall regional economy more sensitive to financial market shocks. To that end, regional financial stability is very critical. Past global financial crisis underscored the important of financial literacy to financial stability. In the drive to build greater financial inclusion, ASEAN understanding of financial literacy is decidedly different since it has diverse levels of financial development. From a global financial center to countries establish basic financial institutions, ASEAN spans the range of financial development. To foster economic integration, establishing effective regional strategies seems to be the best way. But there is certain harmony required, for example the challenge to ensuring long-term commitments from all and the need for cooperation in working out competing interests. That is why financial literacy has become prominent issue to be discussed further.*

*This study aims to explain the importance of financial literacy in AEC to enhance better economic condition and shared prosperity among nations. Using qualitative approach, this study indicates that financial literacy is a prerequisite factor for optimizing welfare in individually as well as society and regional generally. This study intends to remind that each individual, aside their economic class, play significant role to the success of economic integration among ASEAN countries.*

**Keywords:** *ASEAN Economic Community, Financial literacy, Financial stability, Prosperity.*

---

<sup>1</sup> Lecturer at Faculty of Economics and Business Universitas Jenderal Soedirman Email: kikysrirejeki@gmail.com Phone (62)8562630414.

## **1. Introduction**

Strong economic performance has made ASEAN one of the world's most regions. Since 2007, while annual average growth in the global economy has been 3.3 per cent, in ASEAN it has been 5.1 per cent. ASEAN also has one of the foreign investment inflows, which attracted by its workforce of 300 million and growing consumer markets (ADB: Asian Economic Integration Monitor). Though deeper regional integration offers immense economic prospects, but translating these gains into shared prosperity and equitable development requires robust financial stability. We cannot forget for what happened in European Union (EU). While the EU has long been the most developed model for regional integration, it was severely shaken by the recent economic crisis. It leads to the awareness in the progress of ASEAN integration to prepare precaution policy as the economic volatility is always the risk to be faced. According to Zizek (2011), world have entered a new era of permanent economic emergency in which growth is expected to be weak and hard sacrifices will have to be made.

The economic crisis was to a large extent caused by the combination of the risky and less than proper actions and decisions by various stakeholders, including financial institutions, experts and sometimes regulators who carry most of the responsibility. But the lack of understanding of individuals on financial issues has also played a major role. As a result individuals have accepted to support more financial risks than they could afford. The collapse of the United States subprime mortgage market shows us that individual knowledge on financial issues is critical. The development of a speculative bubble due to the reckless financial behaviour of households shows that individuals were often not aware of the risks they were exposed to. They either relied on the limited and incomplete financial advice from relatives or brokers or even sheepishly followed the less than responsible behaviour of others. In this respect, higher level of understanding of financial products may have helped these individuals consider more accurately the risk and conditions of the credit products they were buying.

Learning from the bad experiences of the large scale crisis happened, financial literacy has assumed even greater importance for ASEAN countries in the progress of economic integration. This paper indicates that financial literacy is a prerequisite factor for optimizing welfare in individually as well as society and regional generally. This study intends to remind that each individual, aside their economic class, play significant role to the success of economic integration among ASEAN countries.

## **2. Research Method**

This paper provides a brief overview of the importance of financial literacy to foster better economy and shared prosperity in the progress of ASEAN integration.

Yet, explores some of the challenges and potential solutions for moving forward. The focus of the study is based on ASEAN conditions. Volatile economic condition and new horizon of hopes upon the economic integration among ASEAN countries makes this study really significant. Among ASEAN countries, financial literacy has assumed greater significance in recent years due to the agenda of financial integration. The method relies on qualitative analysis method. Data is collected from various sources, mainly secondary data such as journals, research papers, magazines, newspapers, official website, etc.

### **3. Literature Reviews**

#### **3.1. Financial Literacy and Financial Stability**

In the last decade, financial literacy has become one of the policy focuses of many organizations. There is a great concern that individuals tend to lack a working knowledge of financial concepts and do not have the tools they need to make decisions most advantageous to their economic wellbeing. The ability of individuals to make informed financial decisions is crucial to developing sound personal finance. This is expected to contribute to more efficient allocation of financial resources and to greater financial stability at both the micro and macro level (Demirguc-Kunt and Klapper, 2012).

The improvement of financial literacy is expected to a more stable financial system. As Demirguc-Kunt and Klapper (2012) suggest, the improved financial literacy will lead to a more prudent borrower behaviour that could reduce financial fragility. Well-informed consumers may also exercise innovation-enhancing demand on the financial sector and play an important role in monitoring the market. Cole *et al.*, (2010) argue that drawing the individuals and firms working in the informal sectors into the formal financial sector would be one of the fastest ways to foster financial development in emerging markets. This could also be the case for ASEAN countries, specially Indonesia where the proportion of middle class keeps growing and the size of informal sector in the financial system is very high.

Financial literacy is defined as the ability of people to make financial decisions in their own best short and long term interests (Mandell and Klein, 2009). Financial literacy is the ability to understand finance. Specially, it refers to the acquired financial skills and knowledge that allow individuals to make informed and effective decisions through their understanding of finance. From the financial crisis history, we should never neglect the importance of basic individual level of understanding financial issues. This is important in short and medium, but especially in the long term and has become an essential asset for financial stability. What should be carefully understood by ASEAN countries is the biggest lesson of the financial crisis has been that monetary policy cannot work properly when there is financial instability. Therefore, it is very important that in the progress of economic

integration, each of the ASEAN countries must concern towards its own financial stability.

Van Rooij *et al.* (2007) and Lusardi (2008) classify the level of financial literacy into the basic and the advanced financial literacy. The basic financial literacy evaluate the knowledge of fundamental economic concept, competence with basic financial numeracy, and the knowledge of risk diversification as a crucial element of any informed investment decision. Lusardi and Mitchell (2008) measured the basic financial literacy by devising questions such as the working of interest rates, the effects of inflation, and the concept of risk diversification. The advanced financial literacy encompasses the understanding about the relationship between risk and return. If each of ASEAN countries would like to provide wide understanding of these concepts to its people, it is a form of policy to prevent undesirable movement in financial behaviour. This is not only in the interest of each country to sustain its financial stability but also to promote sustainable economic growth of regional economies. It is not possible to overestimate the importance of financial literacy and financial education. Literacy and education are the essence of building confidence. Without confidence there is no financial stability. (Soskic, 2011).

The meaning of financial stability can be discussed as a condition in which the financial system is capable of withstanding shocks (Singh, 2014). Financial stability refers to develop such a policy which has a primary objective to avoidance of financial crisis. It emphasizes to build a strong financial system which has ability to fight with different economic threats. The recent global financial crisis is an example of how lack of financial literacy can impact financial stability. The genesis of the crisis was in the sale of inappropriate mortgage products to sub-prime borrowers, who did not understand the nature of the product. The crisis was also fanned by the creation of sophisticated financial products by seemingly expert market participants, without understanding the underlying risks involved. Financial literacy involves imparting knowledge about the risk and return of financial products to the users and providers of these products. It is this knowledge that helps in containing risks and maintaining stability in the financial system.

One of the essential pillar of a well-functioning and stable financial system is financial literacy. Inadequate understanding of the risks inherent in financial products, because of insufficient disclosures or low financial literacy, can lead consumers to take excessive debts, which in turn can impact banking system stability. Lukonga (2015) further said that inadequate information about entailed risks can also cause panic and herd behaviour among investors and can precipitate crisis. From above explanation literacy is a must to gauge the needs among ASEAN countries, which is to understand the risk inherent in financial products and recent markets and to create a conducive policy environment for the attainment of the ASEAN goals.



### **3.2. The Importance of Financial Literacy**

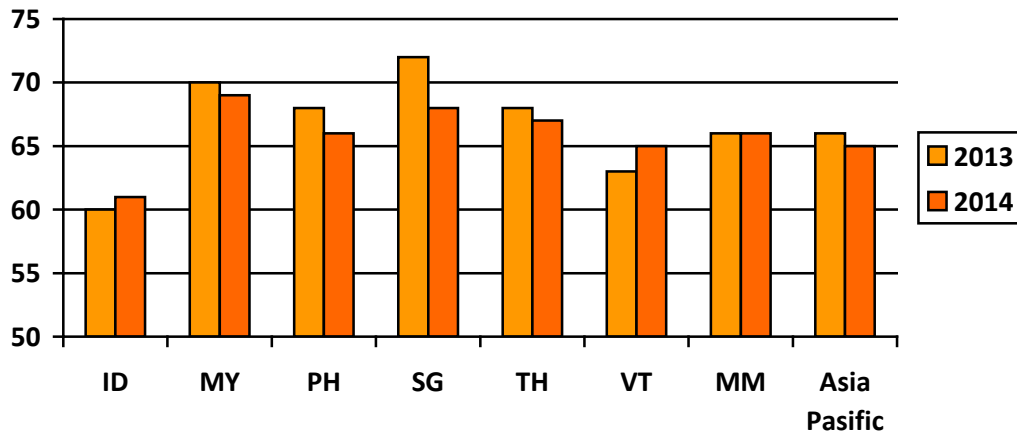
There are many stakeholders started paying attention to the issue of financial education and literacy. ASEAN itself needs to promote the needs of financial education and literacy because it clearly promotes economic growth and wellbeing, expanding the quality of available financial services and by enhancing the ability of individuals to more effectively use these services for their best interest. There are three main areas of concern that call for enhanced financial education in Southeast Asia.

The first cause is the rapid and growing sophistication of financial market as a result of globalization and technological progress in the financial marketplace. People in Southeast Asia countries are now faced with a variety of complex financial instruments offering a large range of options. We believe that financial institutions targeted individuals to buy these products. We are also aware that not all individuals are equipped themselves with sound knowledge of financial issues, such as risks and returns. The second cause is the risks have been increasingly transferred to households. Recently with the rapid growth of technologies, more and more people engage with financial transactions even for the very basic needs, such as buy household needs through online shopping. The way people doing transactions and businesses are far different with years ago. Households now assume more of the responsibility and risk for financial decision. The last is the rapid development in our emerging economies that resulted on the variety of financial products. The financial products known by people today are really diverse. Ranging from simple financial products like saving to more complex investment such as stocks and bonds which of course give more return. However, in financial principle we learn that the more return sought, the more risk that must be undertaken.

Various financial knowledge enhancement strategies and programs have been initiated across many countries in Southeast Asia. These ongoing drives are to equip individuals with essential financial skills and inculcate a culture of effective financial learning. Although the issue of financial literacy has progressively gained recognition as a vital and important life skill, many are still finding it challenging to deal with financial complexities on a daily basis. One of the proofs is reflected in MasterC Financial Literacy Index year 2014 which underscore that progress towards improving financial literacy remains stagnant in the majority of markets in Asia Pacific, specially in Southeast Asia. Financial Literacy Index is measured in three ways, first is from Basic Money Management, second is Financial Planning and the third is Investment.

Among the emerging Southeast Asia markets, the series of rank of financial literacy index year 2014 are Malaysia, Singapore, Thailand, Philippines, Myanmar, Vietnam, and Indonesia. Though, compare to our neighbor countries in Asia Pacific, Southeast Asia countries relatively can keep up the track (see Table 1).

**Chart 1. Southeast Asia Financial Literacy Index**



The above graph showing recent score of Financial Literacy Index of Southeast Asia. We can see that there are challenges directly to ASEAN's. Some countries, such as Indonesia and Vietnam show improvement, although only increase one point from the previous year. While other countries show otherwise. Based on the survey, Indonesia also placed the lowest among ASEAN Countries. This Financial Literacy Index suggests that there is a large room for improvement in financial knowledge, which is expected to further improve the financial literacy.

The improved financial literacy is expected to improve the capability of the population in managing their finance and their productive activities and income. The improved income will enable them to save more, improve their well-being and their participation in formal financial market. A more inclusive financial market will contribute significantly to the economic growth. The financial market will be more self-reliance with the increased domestic financial sources. The economy will be more resilient and less vulnerable to external funding shocks.

**Table 1. Ranking of Financial Literacy Index and Its Components Year 2014**

Ranking		Scores			
		Overall	Components of Financial Literacy Index		
			Financial Literacy Index	Basic Money Management	Financial Planning
Asia Pacific		65	63	75	58
1	Australia	69	73	68	60
2	China	65	58	76	68
3	Hongkong	70	71	72	65
4	India	62	56	74	59
5	Indonesia	61	59	70	55
6	Japan	55	55	64	41
7	South Korea	62	57	78	49
8	Malaysia	69	66	80	62
9	New Zealand	71	73	73	62
10	Philippines	66	66	73	56
11	Singapore	68	67	77	57
12	Taiwan	73	69	84	66

13	Thailand	67	63	79	60
14	Vietnam	65	59	81	53
15	Bangladesh	60	54	69	58
16	Myanmar	66	57	81	-

### 3.3. Strategy to Improve Financial Literacy

The effort to improve the level of financial literacy could be in systematic way through financial education. Though effective financial literacy improvement not only based on one factor, financial education, but anchored on other complementary pillars.

Financial education can help empower individuals and make disclosure effective. In financial market, investor confidence rests on the integrity and transparency of financial reporting and disclosures. Giving individuals clear and complete information that covers both the financial condition of the financial institutions as well as risks in the financial product they invest in, allows individual to make informed decisions. The challenge is how to create effective financial education to literate people?

Effective financial education should not be designed as a stand-alone program. Rather, it needs integration from formal education system, starting from elementary school to college or university, to informal education by empowering media and volunteers to propagate the importance to be financially literate.

One of the biggest challenges in measuring the efficacy of financial education is that financial education contents vary greatly. Business school may provide very good knowledge on how to manage money, but the problem is not everyone go to business school. In disseminating financial education, the government of each country in Southeast Asia could use the channel of information that the society accesses the most. The financial education programs should be integrated into programs that the people like to stay tuned. It could be through watching, reading or hearing information. So, it's not only developing quality through providing relevant financial education but also extending the information delivery so that financial education reaches more people.

Aside from providing financial education programs, other way that each country could do is managing supportive government. Government may provide laws and regulations which needed to govern the relations between financial institutions and individuals. To make the strategy works effectively, it should represent collaboration across the public, private and not for profit organizations. They should cooperate and contributing to its development and implementation.

Crossan (2010) on her working paper stated that in New Zealand the public and private partnership give benefits for the country. One example of partnership between public and private sector happened when private sector funding secured to transform the website that hosts the national strategy into a focal point for sharing information on financial literacy. The main New Zealand banks also contributed funding to a pilot program which led to personal financial management module to a nationwide parenting education program, giving the tools they need to make informed decisions about their budget and spending habits. This program combines the bank financial expertise with the parenting education experience of the non-government organization (NGO).

The existence of monitoring and evaluation body is also imperative in some scale to understanding what has worked and identifying lessons for how financial education can best be developed in the future. To measure how effective the program is we can use surveys. We can conduct survey on how well people's financial knowledge trough the time. We can also monitor the website' simpact which provide financial information through visits, user sessions and demographic (Crossan, 2010).

O'Connel (2009) suggested that there are three principles that should be kept in mind when considering financial literacy policy and practice. First, financial literacy is complicated and multi faceted. It is likely that different types of education work in different ways for different people to improve different types of financial literacy spectrum. Second, policy makers should be realistic in their expectations about the benefits of financial education and the impacts of improved financial literacy, this is due to the effectiveness of financial education is unlikely to be proven in a simple causal way. Third, financial literacy is part of the policy mix, so that we cannot rely on sole policy to create the condition we want, other approaches should be implemented to improve personal financial wellbeing.

#### **4. Conclusion**

Financial education is touching different parts of people'slives at different times and in different settings. It means that strategies for improving financial literacy must be multi pronged and multi layered.

This brief article outlines the importance of financial literacy to help financial stability, further it also highlight the strategies to improve financial literacy. Due to the economic integration through ASEAN Economic Community the fundamental of financial education is important not only for those who live in the city but also people live in rural areas. With the growth of technologies there will be no boundaries that separated the city and the rural areas, so does with access of financial products offered by financial institutions.

Developing quality of financial education is not enough because we also have

to ensure that more and more people engage to the awareness of financial literacy, so that the development of national or even regional strategy for financial literacy is important. The pursuit of public, private and not-for-profit organization collaboration also needed to support promotions for lifting financial literacy.

### References

- Asian Development Bank. 2013. *Asian Economic Integration Monitor*.
- Cole, Ethan Cohen et al. 2010. The Financial Sector and the Real Economy During the Financial Crisis: Evidence from the Commercial Paper Market. *SSRN Electronic Journal* 11.
- Crossan, Diana. 2010. How to Improve Financial Literacy: Some Successful Strategies. *Pension Research Council Working Paper*. Pennsylvania: The Wharton School.
- Demirguc Kunt and Leora Klapper. 2012. The Little Data Book on Financial Inclusion. *The World Bank*.
- Lukonga, Inutu. 2015. Islamic finance, Consumer Protection and Financial Stability. *IMF Working Paper*.
- Lusardi, Anamaria and Olivia S Mitchel. 2008. Planning and Financial Literacy: How do Women Fare? *American Economic Review: Papers & Proceedings* 98: 2, 413-417.
- Lusardi, Anmaria. 2009. Overcoming the Saving Slump: How to Increase the Effectiveness of Financial Education and Saving Programs.
- Mandel, Lewis and Linda Schmid Klein. 2009. The Impact of Financial Literacy Education on Subsequent Financial Behavior. *Journal of Financial Counseling and Planning* 20.
- Mastercard Financial Literacy Index Report. 2014.
- O'Connel, Alison. 2009. Financial Literacy in New Zealand. *Working Paper prepared for the New Zealand Government Capital Market Development (CMD) Taskforce*. CMD Taskforce: Wellington.
- Singh, Upendra. 2014. Financial Literacy and Financial Stability are Two Aspects of Efficient Economy. *Journal of Finance, Accounting and Management* 5(2), 59-76.
- Soskic, Dejan. 2011. Financial Literacy and Financial Stability. *Proceedings Bank of Albania 8<sup>th</sup> International Conference*.

Van Rooij, Maarten et. al. 2007. Financial Literacy and Stock Market Participation.  
*NBER Working Paper No. 13565.*

Zizek, Slavoj. 2011. *Living in the end times.* Verso Books: London.





# PKPU (POS KEADILAN PEDULI UMMAT) AS A ROLE MODEL FOR PHILANTHROPIC ORGANIZATION TO FACE ASEAN ECONOMIC SOCIETY IN INDONESIA

Nyphadear Tiara S.A.P, Adhitya Choirul Latif Leni Winarni  
Sebelas Maret University

## ABSTRACT

*This paper is discussing the role of Pos Keadilan Peduli Ummat (Pos of Justice and Care for Ummah-PKPU), which improves the society economic empowerment through some financial aid program in Indonesia. PKPU had maintained funding from ZIS (zakat (alms), infaq (liable donations) and shadaqah (voluntary donation)) to assist the poor. Indeed, this NGO concern to overcome the poverty of educational backwardness, but also have assisted in organizing small entrepreneurs as the embodiment of democratic economic. PKPU had even given humanity assistance to congruence their responsibility in philanthropic agendas, beyond economics issues.*

*After fall of Soeharto regime, Indonesia had collapsed in economic crisis. Therefore, small entrepreneurs called Unit Usaha Kecil Menengah (Unit for Small and Medium Enterprises-UMKM) had played a significant role in the national small industry during the crisis, which PKPU had involved in. By using the theory of NGOs role, this paper will explain how PKPU as a philanthropic organization has contributed to encouraging the UMKM competitiveness to face AEC (ASEAN Economic Community) in Indonesia. The role of PKPU to distribute ZIS-religious fund and his CSR partners serve both a real system and effective mechanism to realize, trickle down effect. This means the prosperity will have a wide impact over society and it does not only concentrate in a few hands. However, PKPU can be a role model for philanthropic organization in ASEAN.*

**Keywords:** PKPU, UMKM, Trickle Down Effect, Philanthropic NGO, Indonesia.

## Introduction

Philanthropic organization activities have contributed decreasing poverty and providing some aid, which is a concern to humanitarian issues in Indonesia. This concept was adopted by PKPU since established as a non-profit organization in 1999. Their roles maintain government to overcome problems both of social and economic that motivated by generosity and commitment to increasing social and economic capabilities in society. The aim of assistance programs is helped to improve independence economic community. Hence, economic empowerment and

sustainable development would be created.

According to Moslem perspective, generosity means a fundamental effort to help the poor as a human being (Rozalinda, 2014). While, wakaf (benefaction) had long applied extensively thus Islamic philanthropic organizations could thrive either in the national or international community (CSIS, 2005). ZIS's potential abundant is growing fast in majority Moslem countries, for example, Indonesia, Egypt, and Turkey. Therefore, these encourage philanthropic organizations to develop social care programs productively (Jahar, 2010). Indeed, PKPU has been managing this issue for more than decade and hoping will obtain some occasions to enroll AEC.

Starting out, this paper will explain PKPU compare to another philanthropic organizations and how they can contribute to Indonesia toward an optimistic outlook on competing AEC among ASEAN countries. Since judgments concerning the development of philanthropic organizations depend on generosity, this paper focus on they way PKPU role as a non-governmental organization by using social movement and norm perspective in the second section of the paper. The third part of the paper deals with PKPU role to establish independence economic society. Additionally, and more significant, PKPU are a trigger in increasing prosperity and one of the initiators in enforcement Indonesian democratic economy to deal with integrated ASEAN community.

### **The Roles of NGO: The Case of PKPU**

In the modern day era, the socio-economy problem has grown more complicated from time to time. Almost all countries in this world, especially the developing countries and underdeveloped countries face the same problem such as poverty, unempowered society, and social gaps. The rise of the problems in this now days era makes the responsibilities to overcome those problem not only belongs to the governments themselves, but also all the components of the states including the societies, the intellectuals, and the NGOs. The relationship among those components of the state is like an interconnected network which means all the components must work together, they must support one another to overcome those problems ahead. If there is one dysfunction component, the other components will also be dis-functioning too.

NGOs as one of the components of the states play so many important roles in contributing to solving those multi-dimensional problems. Since the 1980s, the NGO sector in the Global South and North has expanded substantially. The emergence of the Washington Consensus in the 1980s saw the victory of the market over the state, with private enterprise identified by international development organizers, donors and policy-makers as the key driver of development. NGOs were regarded as a vital part of the solution, and given an increasingly significant role in

development discourse and practice, and increased access to donor funding opportunities also proven that the roles of NGOs has grown more significant (SOAS, 2013).

According to William (William, 1991), there are some key roles of NGOs in aiding the government and the society. Those key roles can be detailly explained: First, development and operation of infrastructure: Community-based organizations and cooperatives can acquire, subdivide and develop land, construct housing, provide infrastructure and operate and maintain infrastructures such as wells or public toilets and solid waste collection services. They can also develop building material supply centres and other community-based economic enterprises. In many cases, they will need technical assistance or advice from governmental agencies or higher-level NGOs.

Second, supporting innovation, demonstration and pilot Projects. NGO have the advantage of selecting particular places for innovative projects and specify in advance the length of time which they will be supporting the project-overcoming some of the shortcomings that governments face in this respect. NGOs can also be pilots for larger government projects by virtue of their ability to act more quickly than the government bureaucracy.

Third, facilitating communication. NGOs use interpersonal methods of communication and study the right entry points whereby they gain the trust of the community they seek to benefit. They would also have a good idea of the feasibility of the projects they take up. The significance of this role to the government is that NGOs can communicate to the policy-making levels of government, information about the lives, capabilities, attitudes and cultural characteristics of people at the local level.

NGOs can facilitate communication upward from people to the government and downward from the government to the people. Communication upward involves informing the government about what local people are thinking, doing and feeling while communication downward involves informing local people about what the government is planning and doing. NGOs are also in a unique position to share information horizontally, networking between other organizations doing similar work.

Fourth, technical assistance and training. Training institutions and NGOs can develop a technical assistance and training capacity and use this to assist both civil society and governments. This kind of assistance and training is absolutely beneficial for both the society and the government. The assistance and training given by the NGOs to the society will empower them so in the short run the society themselves are hoped to independently fulfil their needs. Meanwhile in the same time when the society is empowered and able to fulfil their needs, the government burden in fighting poverty is also reduced.

Five, advocacy for and with the poor. In some cases, NGOs become spokespersons or ombudsmen for the poor and attempt to influence government policies and programmes on their behalf. This may be done through a variety of means ranging from demonstration and pilot projects to participation in public forums and the formulation of government policy and plans, to publicizing research results and case studies of the poor. Thus, NGOs play roles from advocates for the poor to implementers of government programmes; from agitators and critics to partners and advisors; from sponsors of pilot projects to mediators.

According to key roles described by William, PKPU has contributed on developing and operating infrastructure such as schools and mosques, where one of its programs is School Renovation Program. School Renovation is a program that attempts to construct or renovate damaged classrooms, which consists of two types, major renovation and minor renovation (PKPU, 2015). Besides of class construction or renovation, this program also provides facilities to support learning process like chairs and tables. In 2014 PKPU has been renovating 35 schools in Blitar, East Java, which were damaged by the eruption of Mount Kelud (Republika, 2014).

*Figure 1 school that being renovated by PKPU*



*Source: Bisnis.com, PKPU Bedah 35 Unit Sekolah Rusak di Blitar*

Beside the School Renovation Program, PKPU also has other program, those are Independence Incubation Center Program, and Community Based Disaster Risk Management Program. Hence, it's indicated that PKPU does have roles in aiding the kinds of society through beneficial program that help a society to have better livelihoods.

### **PKPU, Philanthropy Movement, and The Civil Society Empowerment**

As we observe deeper and deeply concerning on PKPU's roles in aiding the Indonesian governments to press down the national poverty rates by its so many programmes and also the society empowerment conducted by PKPU itself, we must

understand and we must admit that PKPU is one of the real examples of Philanthropy movement. Philanthropy itself according to Schervish (Schervish, 1998) is the social relations of care in which individuals (or groups) respond to the moral invitation to expand their horizon of self-interest to include meetings the needs of others. He argued that many definitions of philanthropy have been offered, many of them stress on the voluntary nature and welfare goals. Others focus on what is legally demarcated as charity. But None of those definitions are justifiable enough to shown the basic or the fundamental essence of Philanthropy as social relations revolving the moral virtue of Charity and extending beyond the legal and sectoral meaning of terminology of the philanthropy itself.

Schervish strengthened on the conjoining of the philanthropy itself with the strong sentiment of sympathetic identification with the fate of others.a thoughtful discernment of what need to be done, and strategic course of actions aimed to help fulfilling the needs of others. This point does not differentiate the philanthropic relations with commercial relations or political relations. All are voluntarily in nature, dedicated for the goods of a public, noccurs on civil society or non-profit sector. More exactly, the distinctive point or characteristic of philanthropy with commercial relations or political relations is located on concerning the signal of moral claim that mobilize and direct the resources own by the philanthropist with the needs of others.

*Figure 2 PKPU Activity on aiding society*



Source: [pkpu.or.id](http://pkpu.or.id),

Gallery: Pendistribusian Bantuan untuk Rohingya di Aceh Utara

Almost all the description to conceptualize philanthropy emphasizing on the presence of special dedications to public goods and or the philanthropy voluntary nature. Neither of these aspects gets to the essence of what distinguishes Philanthropy from commercials and politics in positive than derivative ways. Firstly,

attending the public goods is not a claim that can be made exclusively as philanthropy. Philanthropy is not distinctive in having the intention to fulfil the others needs, but in the kind of signal it pays attention into deciding what needs of which people are important to comply.

Secondly, delimiting philanthropy by its voluntary nature is something unpersuasive, if by voluntary means ones free from obligations. Hallowed some religious and ethical traditions speak about unapologetically attending the needs of others. It is simply not the case of philanthropy is protected from external pressure. For examples, many wealthy donors recount the array pressure or imperative business, tax, community, personal, political, or moral that do in fact compel with their philanthropic activities. One again, philanthropic relations are not distinctive because the absence of obligation and the signals of entreaty by which the obligations are drawn from within the conscience of the donors themselves.

Philanthropy is kind of interactive production process. It is social relations framed by that matches the supply private resources to the demand of unfulfilled needs and desires that connected by entreaty. The defining Characteristic of Philanthropy is the type of social signal it responds to rather than in some formal, institutional characteristic such as its tax status, its normative attributes such as it is being voluntary, or its particular goal such as social service for the public goods.

Commercial activities are mobilized by the medium or a huge number of financial capital in the form of revenue or income. Political activities are mobilized by medium political capital in the form of vote or campaign contributions. Philanthropy activities are mobilized by medium moral or cultural capital in the form of symbolic expression of needs. In commercial relations, needs elicit a response largely to the extent that they become expressed in money that is translated into what economists call as effective demand. In the other hand, in political relations need elicit a response largely to the extent that they become expressed in campaign or as vote what, in fact, is another form of effective demand. Thus, attention to need is not directly perceived as the importance of the need itself but perceived directly the medium or huge amount of income, vote, campaign contribution or other forms through the way which the needs are expressed.

In Philanthropy relations, the medium for fulfilling the needs is not money nor vote but the symbolic medium of words and images. In contrast to commercial and political relations, Philanthropy utilizes “affective” than “effective” demand. The demand of needs is expressed through the medium entreaty whereby the needs themselves, rather than the which medium they are presented become the immediate object of attention.

The impact of philanthropy is further and detailly explained by Brian Duncan. Duncan (Duncan, 2003) explains an impact philanthropist is someone who values making a difference. Anyone for whom feeding one child is more satisfying than giving each of a thousand children a single grain of rice, or who wants his or her donation spent directly on a charitable cause rather than on overhead, has at least some impact philanthropy in them. In fact, there are many examples of contributors who display the symptoms of impact philanthropy. As mentioned, many donors prefer to sponsor a child rather than support a children's organization. Others prefer to give money directly to a homeless person rather than to a charity for the homeless. Many donors, and even some foundations refuse to finance startup, administrative, or indirect costs, wanting their money to go directly to the cause they support. At Christmas, large families and groups of friends participate in "white elephant" or "secret Santa" gift exchanges in which each participant buys and receives one gift rather than buying gifts for everyone. In laboratory experiments, participants contribute less as group size decreases. While it may be possible to explain those examples with more complicated models – possibly including an agency problem or threshold production – this article that all that is necessary is the reasonable assumption that donors want their contributions to making a difference.

Although, based on a reasonable assumption, the implications of impact philanthropy, in its purest form, lead to some seeming philanthropic behavior. When a philanthropist values making a difference, he or she benefits, to some degree, from need. As a result, philanthropists and the recipients of philanthropy can fall into a co-dependent relationship in which both benefit from the other. In addition, cooperation among impact philanthropists can lead to less giving. Finally, charitable organizations can find themselves at odds with their donors, even if both have the same goal: to have a large impact on the supply of a good. For example, donors may be unwilling to pay for operating expenses that benefit many, if it benefits each only a little. Similarly, a fundraising policy that targets a donor's gift at a specific part of a production process will maximize the donors' perceived impact, but may not maximize the total supply of the charitable good.

Furthermore, the roles of PKPU in empowering Indonesian people must be seen as successful proof of NGOs programme in aiding government fighting poverty and empowering their people. This also proves that there is an interconnected network among social movements, NGOs, and civil society empowerment. NGOs as one of the social movement agent, especially NGOs which empower the unempowered society has at least help the government to reduce their problem of transforming their society toward better condition or being empowered. The empowered civil society will work together with the government and NGO to

fight the poverty in their own region or even in national level. This interconnected network among those three components is clearly explained by Henry Veltmeyer.

Veltmeyer (Veltmeyer, 2008) firstly states that The major expression of civil society in the 1980s was the 'voluntary private association' or 'nongovernmental organization', formed in what at the time was defined as the 'third sector' (vs. the 'private sector', composed of profit-making economic enterprises, and the 'public sector', referring here to organizations and enterprises set up by the government). At the beginning of the decade, there were relatively few such organizations, most of them organized as voluntary associations to provide poverty relief or to assist communities in their adaptation to the forces of change. By the end of the decade, however, these nongovernmental third sector organisations had mushroomed, responding as they did to the vacuum left by the retreating, assuming responsibilities hitherto given to governments.

It is estimated that by 1990s there were literally tens of thousands of developmental NGOs, organised to assist poor communities in the quest for self-development, as well as NGOs formed in the struggle against the violation of human rights, environmental protection and other such issues of concern to the urban middle class. Political sociologists, armed with a postmodern political imagination, saw this development as the emergence of 'new social movements', concerned with an array of diverse issues (Escobar and Alvares, 1992) rather than state power and transformative social change. Traditional social movements by contrast were viewed as class-based and concerned with transformative social change.

NGOs were enlisted by the international financial institutions such as the World Bank and the governmental and intergovernmental organization as strategic partners in the war against poverty, to act as intermediaries between the providers of financial and technical assistance and the poor communities ravaged by the forces of modernization and change, and abandoned by their governments (at the behest of these 'overseas development associations'). Development here was conceived within the optics of a new paradigm that emerged popular participation and grassroots self- development that is initiated from below within civil society.

The NGOs in this context were recruited not only to mediate between the aid donors and the poor communities but to carry into the localities and communities of the poor the gospel of capitalism and democracy, the virtues of private enterprise and reform. By the end of the decade and into the 1990s, the marriage between economic and political liberalization had been consummated in many countries with the NGOs acting as midwife. In the process, the NGOs helped dampen the fires of revolutionary ferment among the rural poor, who were encouraged to turn away from the confrontational politics of class-based organizations and the anti-systemic social movements.



Veltmeyer views a fundamental theoretical perspective on these NGOs in this development context. He views them essentially as saviors, catalysts of a grassroots virtuous form of development that is initiated from within civil society, and is participatory, empowering of women and the poor, equitable and socially inclusive, human in form and scale, and sustainable in terms of both the environment and livelihoods.

### **PKPU as Islamic Philanthropic Organization**

Indonesia has the largest Moslem community among ASEAN countries, but also in the world. The economic crisis in 1998 followed by several issues in both of political riot and social chaos had caused Indonesia turn into an unstable state. Indeed, Indonesia had the worst economic crisis among the south Asian countries, which caused poverty rose in 7.5 million in 1998 (Tarmidi, 1999). This followed by the bankruptcy of many companies and massive unemployment. Furthermore, the crisis has increased foreign debt without any strength micro- economic sector. However, 1998 crisis signified with the fall of Soeharto's military regime.

A year after New Order regime ended, PKPU was established in 1999 by a group of youth who were concerning in facing national's economic crisis (PKPU, 2015). Although, the idea of PKPU had begun in the mid of 1997 when economic crisis waving in majority ASEAN countries caused by the depreciation of local currency against US dollar. Achieving success as Islamic philanthropic organization on October 8, 2001, PKPU has assigned by Ministry of Religious Affairs as Lembaga Amil Zakat Nasional (National Zakat Institution-LAZNAS). Hence, PKPU has been expanding social activities and donation distribution throughout the region in Indonesia since 2004.

PKPU have also committed becoming sociopreneur, which have provided some programs such as skill learning and capital relief based on sustainable micro-economic community empowerment. Moreover, PKPU along with international NGOs were participated in humanitarian activities not only in Indonesia such as earthquake disaster and tsunami in Aceh, Yogyakarta, and other humanitarian assistances, but also were dealing with global humanitarian issues. Thus, PKPU obtained the special status from United Nations Economic and Social Council as an "NGO in Special Consultative Status with UN Economic and Social Council" on July 21, 2008 (PKPU, 2015). The percentages of national and international PKPU's beneficiaries preserve on the chart below:

*Figure 3 National and International Beneficiaries  
2014*



Source: HI News, Humanitarian Initiative, PKPU, Edition 1/March/2015

According to the chart, the number of PKPU philanthropic has large contributes to wealth. They goals not only concern in religious activism, but also humanity, health, economic, and education. Comparing with other philanthropic NGOs, particularly those classified as an Islamic philanthropic, PKPU has several advantages which PKPU has strong legitimacy with its status as a charity and philanthropic entities officially registered by the ministry of social ministries of religious and national in scope, and also registered in the UN ECOSOC and the EU within the scope of the International, with the legitimacy PKPU can be a credible philanthropic entity to serve as an example for other NGOs, where the presence of the legitimacy status PKPU will also easily develop its efforts to take action social action both domestically and abroad, and also to cooperate with governmental and non- governmental agencies in their activities. Utilizing existing technology developments, PKPU was sought to facilitate a donor or contributor to give the charitable contribution in their easiest way.

PKPU, with a vision that continues to move forward PKPU efforts there continues to be developed in order to create a well being with the goals and ideals PKPU in make prosperous community. With the ideals of the efforts made by PKPU can be an example and a benchmark for other philanthropic organization which attempts to alleviate the real PKPU public welfare does not just stop with providing assistance in cash or physically, but in this case PKPU also seeks to provide is an educational aid that existing aid can effectively increase the economic potential in a society with expanding to the efforts that can run independently formed and sustained in increasing the capacity of the local economy which will lead to a real impact in the development of well-being with the effectiveness structural effects that can boost the economy at large. In support of that argument, PKPU gives an example where efforts business coaching, product branding, and capital

assistance in KUMM program (Community of Independent Business Group) and KUBE (Joint Economic Business Group) can give birth to a MSMEs (Micro, Small and Medium Enterprises) that are reliable and capable in the International market, this can be seen in the effort PKPU that provide educational assistance and encouragement to venture capital *maicih* chips that can penetrate the international market through the branding education efforts with granny spicy brand, which until now has been able to enter the markets of Singapore, Sydney, Bangkok, Kuala mud, and San Francisco (PKPU, 2015).

### **PKPU and Distribution of Wealth**

In an attempt to revive the economy of the community, PKPU take a step in the context of community empowerment for the community's independence by increasing its capacity in developing economic potential of micro, which would then be run independently. In distribution, PKPU seeks to educate the public to spirited entrepreneurship, also create jobs, which in turn can reduce unemployment and poverty. With the effort is expected to occur positive structural shift on the economy of a society so that existing efforts will continue to run independently in alleviating welfare improvements in a public sphere.

Potential distribution of zakat and charity corporates becomes a basis for PKPU to reduce poverty. But in the other hand, many sectors that held by PKPU requires the effective management of distribution in delivering aid in order to improve the welfare of society and trigger self-reliance. According to Ahmad ibn Abdul Aziz al-Hadad best of waqf development money is distributed to the trade sector, because the distribution of endowment money to the real sector is preferred. Through the program Kumm (Society of Independent Business Group) and KUBE (Joint Economic Business Group) donations, money invested and channeled to empower small communities through micro-finance programs and business assistance. Financial assistance is carried out with the assistance of micro credit recipients in order to gain knowledge on how to try and do business with the others.

The provision of capital and management assistance to the public is expected to change the lives of poor people become more prosperous. Efforts to develop the micro finance sector is an important priority in the distribution of charitable funds, in the context of the Indonesian economy can be seen that the economic micro which became the backbone of the economy democracy in Indonesia. For example, the crisis of 2010 can be seen that the economic base strong micro Indonesia can save Indonesia from the global crisis that hit major countries in the world. In addition, mobilization of the SME sector is also considered to pose a structural effect on the welfare of the community because in this model of micro small and medium enterprises (SMEs) are able to absorb the productive workforce so that unemployment can be reduced.

## **Whether PKPU Could Become an Alternative to Face ASEAN Community?**

From the comprehensive discussion above, ASEAN community can be serious problem for the member states which are not ready to receive the impact of the integration itself, especially the social impact. The successfulness of PKPU in aiding the government of Indonesia fighting poverty must be seen as a good example that an philanthropic organization is able to play central roles within the society. This also proves that there is an interconnected network among social movements, PKPU, and civil society empowerment. PKPU as one of the social movement agent, especially when PKPU has successfully empowered the unempowered society has at least help the government to reduce their problem of transforming their society toward better condition or being empowered. The empowered civil society will work together with the government and PKPU to fight the poverty in their own region or even in national level. PKPU is also proven successfully as the agent of wealth distribution in Indonesia.

There is a big chance for us to enlarge this achievement to regional level. When PKPU has successfully help the government of Indonesia in fighting poverty, we only need to enlarge the scoop of its working area and strengthen the network of the NGO itself. Thus, PKPU could become an alternative model of NGO aiding the government of ASEAN member states facing the impact of ASEAN Community.

## **Conclusion**

With their sustainable programs that able to help the community, PKPU can be an example for the others philanthropic organization in ASEAN, and in Indonesia especially, to face of the ASEAN Community in 2016, where the important point is, that Aid who given to society is not only given to the efforts of a brief, but must also be sustainable, in order to realize the "trickle down effect" on the effort to improve community welfare.

## **REFERENCES**

- Brian Duncan, 2004, *Theory of Impact Philanthropy*, Vol.88 of *Journal of Public Economic*, Amsterdam: Elsevier.
- Cousins William, 1991, "*Non-Governmental Initiatives*" in *ADB, The Urban Poor and Basic Infrastructure Services in Asia and the Pacific*, Manila: Asian Development Bank.
- CSIS, 2005, *the Idea and Practice of Philanthropy in the Muslim World*, CSIS: The Muslim World Series.
- Escobar and Alvares, 1992, *The Making of social movements in Latin America: identity, strategy, and democracy*, Boulder: Westview Press.

- Henry Veltmeyer, 2008, *Civil Society and Local Development*, Vol.9 No.2 of Campo Grande, Halifax: Saint Mary's University.
- Paul G. Schervish, 1998, *Philanthropy*, Vol. II of *Encyclopedia of Politics and Religion*, Washington, D.C: Congressional Quarterly Inc.
- PKPU, 2015, *PKPU Program*, PKPU. Seen From <http://www.pkpu.org/en/program/>
- Rozalinda, 2014, *Filantropi Islam di Indonesia: Studi Tentang Prospek Wakaf Uang dalam Pemberdayaan Ekonomi Umat*. Annual International Conference on Islamic Studies.
- Republika, 2014, *PKPU Bedah 35 Sekolah di Blitar*, Repunlika. Seen from: <http://www.republika.co.id/berita/nasional/daerah/14/05/09/n5ah23-pkpu-bedah-35-sekolah-di-blitar>.
- SOAS, 2013, *Non-governmental organizations, development and change*, London: The University of London. Seen from <https://www.soas.ac.uk/courseunits/151010034.html>



# THE NEWS COVERAGE OF INDONESIA MEDIA TOWARD AEC

Heditia Syahputri Damanik<sup>1</sup>

## ABSTRACT

*The paper aims to elaborate the analysis of news coverage of Indonesia media toward ASEAN Economic Community (AEC) issue. Media has enormous role to deliver the news to people. However sometimes media doesn't deliver the news just the way it is. Each media has its own framing of the news. The framing means the effort to accentuate certain points (Eriyanto, 2002). I would like to know the framing of the online media corporates to respond the AEC issue. How it will work? Firstly, I want to concern on how media catching the message of Indonesia leaders, especially president and vice president speech toward AEC issue. Then, I will collect the online news articles of each media and for those need, I'll choose two of popular online media in Indonesia. Secondly i would like to analyze it using the framing analysis. Through that way, i would like to know the comparison of how media's framing about AEC. Do the two online media frame AEC as the battle field to gain national interest as realism paradigm point of view or frame AEC as the mutual effort of ASEAN state members to reach the mutual prosperity as regional entity like neo-liberalism paradigm sees it?*

**Keywords:** *Media Coverage, ASEAN Economic Community, Framing Analysis*

## A. Introduction

AEC has been planned to be the significant step for ASEAN towards the so called ASEAN Community. ASEAN Community itself has three important pillars namely ASEAN Political and Security Community (APSC) that concerns about security and peace in the region, then ASEAN Economic Community (AEC), and ASEAN Social and Cultural Community (ASCC). Nevertheless, it can be seen that economic is the main part of ASEAN Community. Hence, ASEAN has targeted whole aspects of AEC being applied in the early of 2016 according to the blue print of AEC that has been signed by the leader of all ASEAN member states in 2007.

The organization sees the community of region as a form of cooperation to aim mutual benefits for all member states. As known, the purpose of AEC itself is to establish ASEAN as a single market and production base with the goal of making ASEAN more dynamic and competitive (Asean, 2014). Even though AEC will be

---

<sup>1</sup> Heditia Syahputri Damanik is currently a graduate student of International Relations Department Universitas Gadjah Mada. Her focuses of interest mainly are humanitarian diplomacy, study of South East Asia, and study of media.

fully implemented in the early of 2016, ASEAN has done some agreements to accelerate and to transform ASEAN becomes a region with free flow of goods, services, investment, skilled labors and capital. Some of the agreements are The ASEAN Trade in Goods Agreement (ATIGA) in May 2010 that supports the free flow of goods, then The ASEAN Framework Agreement on Services (AFAS) for free flow of services, and The ASEAN Comprehensive Investment Agreement (ACIA) to ease the free flow of investment among the ASEAN state members.

Also, there are four pillars of AEC (Asean, 2014) namely *first* single market and production base. Single market is a block of free trade area with some rules which ease the free flow of production factors like capital and labors also investment and services. Then, production based means ASEAN isn't only the market targets, and be producers instead. *Second*, ASEAN as competitive economic region, then to aim it ASEAN creates the fair competition through regulation, regional consumer protections, and the protection of intellectual property right. Then third is to encourage the equitable economic development. Through AEC, ASEAN doesn't only facilitate the trade for big business, but also to enhance the competitiveness and market invasion of the small and medium enterprises (SME). Fourth is to integrate ASEAN toward global economic. ASEAN also raises cooperation through free trade area agreements with other states like China, Japan, India, New Zealand, Australia, and South Korea (Asean, 2014).

AEC is assumed by ASEAN as the way to gain mutual benefits for all the member states because it gives the opportunity of each member to extent more markets beyond their territorial. It sounds like what neo-liberalism proposed in international relations theory. The scholars of neo-liberalism argue that war and military weapons are no longer the main dynamic of relations among nations. The hierarchy of issue in international relations also diminishes, for instance economic issue is as important as security issue. State is no longer the main actors of international relations, nevertheless big business like transnational corporations also hold the role (Nye, 1977). The opinion of neo-liberalism scholars could not be dismissed from the phenomena of European states integration to rebuild the region after World War II by expanding the cooperation among some states in Europe. The inter-states cooperation perceived mutual values and identity in society and also disclose the opportunity to cooperate with other region. The cooperation was assumed to shut the probability of war, moreover the cost of war were too expensive (Deutsch, 1957).

It also explains how the ASEAN starts the integration. Nowadays, ASEAN is developing the economic cooperation among state members. With a market of over 600 million consumers and combined GDP of nearly US\$ 3 trillion, ASEAN is vibrant and growing, offering a future to its people of increasing prosperity and stability (Asean, 2014). Keohane argued that the cooperation enhanced the



interdependence (Keohane, 1989). Eventually, it needed institution or regime to manage the cooperation. For instance, to ease the global trade, World Trade Organizations has been established. In ASEAN case, the interdependence also needed the institution which was the establishment of ASEAN in 1967 and the regimes or agreements that have been made afterwards.

The argument above shows how neo-liberalism explains the AEC by highlighting the cooperation of the member states to gain mutual benefit, but how about others opinion like media? Is it the same or different view? The implementation of ASEAN Economic Community (AEC) 2016 has become one of most interesting South East Asia regional issue for media. In Indonesia for instance, the news coverage about AEC are quite many. The content of news is also interesting. At a glance, many media which discuss AEC as a big benefit to strengthen Indonesia economic, but there's also that see AEC as a battle of field therefore Indonesia urgently needs to prepare its citizen. In the other hand, AEC is viewed as a form of cooperation to aim mutual prosperity of ASEAN's state members.

Media has the ability to give certain image about an event or issue and it also happens when it comes to AEC. Media can suggest that AEC as a form of chance, threat, battle of field, or good cooperation and etc. The ability of media to feature certain things can be seen through how media frames an issue (Entman, 1993). Therefore, this paper aims to see how media in Indonesia frame the AEC issue. To ease this research, I choose two of most popular online media in Indonesia namely [www.kompas.com](http://www.kompas.com) which belongs to Kompas Gramedia, and [www.tempo.co](http://www.tempo.co) that's owned by Tempo Inti Media. I will focus on the news coverage about the leader of Indonesia's speech namely President Joko Widodo and Vice President Jusuf Kalla about AEC. After that, I will use the framing analysis to analyze the news and then in the last part, I will see the possibility of IR theories to explain the media's framing of AEC issue.

## **B. Framing Analysis**

In this paper, I use the framing concept by Zhongdang Pan and Gerald Kosicki. Pan and Kosicki explain that framing is the process of making certain message more prominent than others (Eriyanto, 2002). I choose Pan and Kosicki framing concept because it emphasizes in detail which parts of news that should be observed in order to see the framing of news about event or issue. There are two important conceptions in framing that has been made by journalist namely psychology and sociology conceptions. The psychology conception relates to internal structure in someone's mind and it explains how journalists receive the information by their understanding, while the sociology concept relates to social and politics discourse in society, then Pan and Kosicki integrate those two different aspects. Both see journalists not only use their understanding to construct the reality,

but there are other things such as a) the process of reality construction involves the social value inside the journalist, b) social value in society is influencing since journalist doesn't write for himself but for public instead, c) the production process that involves the journalism standard.

There are four main structures to analysis namely syntaxes, scrip, thematic and rhetoric structures. Syntaxes structure relates to how journalists arrange the fact (statement, opinion, citation and observation) into arranged news. The observed units are the headline, lead, background, citation, source and closing. Then, scrip structure relates to how journalists tell the fact through news and to identify that we can observe 5W and 1H inside the news. Thematic structure relates to how journalists reveal their though toward event or issue through proposition, sentences, and correlation among sentences to construct the whole text. The last one is rhetoric structure that explains about how journalists pick words, idiom, graphic, even photos. The selection is not only for completing the news, but also to emphasize certain meaning. In the table below, Pan and Kosicki created a framework used for analyzing the media framing about event or issue.

**Table 1 Framing Analysis Framework of Pan and Kosicki (Eriyanto, 2002)**

<b>Structure</b>	<b>Framing devices</b>	<b>Observed units</b>
<b>Syntaxes</b> How journalists arrange fact	News scheme	Headline, lead, information background, quotation, source, statement, closing
<b>Scrip</b> How journalists tell the fact	News completeness	5W + 1H (what, where, when, why, who and how)
<b>Thematic</b> How journalists write the fact	Detail Sentence meaning	Paragraph, proposition
<b>Rhetoric</b> How journalists emphasize the fact	Lexicon Graphic	Word, picture and graphic

### C. The Framing of Indonesia Media toward AEC

As I mentioned above, this paper aims to know the framing of Indonesia media toward AEC and how they give image to it. For this purpose, I pick two existing online media in Indonesia whose news articles will be analyzed in this chapter, namely [www.kompas.com](http://www.kompas.com) and [www.tempo.co](http://www.tempo.co), and both are the part of two big media corporations those are Kompas Gramedia and Tempo Inti Media respectively. Two media have frequently covered the issue of AEC in their news.

Kompas.com has been released about 400 news articles since 2011<sup>2</sup> while Tempo.co has been covered about 180 news articles also since 2011.<sup>3</sup>

In this paper I limit news coverage only about the leaders of Indonesia's speech namely President Joko Widodo and Vice President Jusuf Kalla toward AEC. The speeches were delivered during 26<sup>th</sup> ASEAN Summit on 26<sup>th</sup> of April until 29<sup>th</sup> of April 2015 in Malaysia. Both leaders have been interviewed separately by several media included Kompas.com and Tempo.co related to AEC issue.

- **Kompas.com Framing about Leaders Speech toward AEC**

First, Kompas.com published article entitled "Presiden Jokowi: Jangan Takut dengan MEA" (Don't be Afraid of AEC, President Jokowi said) on 27<sup>th</sup> of April 2015.<sup>4</sup> Kompas.com framed AEC as an economic battlefield among ASEAN member states and like it or not, all member states should join the field. Then, Kompas.com also suggested that much anxiety of Indonesia related AEC implementation.

Through syntaxes structure, the framing has been shown through news scheme. The title of article clearly pointed the anxiety of Indonesia toward AEC, so that the president needed make effort to calm society down through the headline "Presiden Jokowi: Jangan Takut MEA." After that, Kompas.com wanted to suggest that AEC was the unavoidable economic battle field through the lead or opening sentences of the article and the quotation presented below.

*Presiden Joko Widodo menyatakan Masyarakat Ekonomi ASEAN atau MEA yang akan mulai berlaku pada 1 Januari 2016 tak bisa mundur lagi. Alasannya, semuanya sudah dibahas sejak 2003 lalu. "Ya harus siap karena sudah tidak bisa mundur lagi. Pokoknya harus siap. Namun yang paling penting menurut saya, kita akan identifikasi dulu dalam waktu yang sangat dekat ini," ujar Presiden Jokowi saat ditanya se usai jamuan makan malam di Kuala Lumpur Convention Center (KLCC), Malaysia, Minggu (26/04/2015).*

President Joko Widodo stated that ASEAN Economic Community or MEA would be applied on 1<sup>st</sup> of January 2016 and could not be delayed anymore because it had been planned since 2003. "Yes, we should be ready because it couldn't be delayed anymore. We must be ready. However, I guess the important thing to do is to identify in the near future," President Jokowi said after the feast in Kuala

---

<sup>2</sup> I searched the news articles by using 'MEA' (Masyarakat Ekonomi Asean) as keyword in www.kompas.com.

<sup>3</sup> I searched the news articles by using "MEA" (Masyarakat Ekonomi Asean) as keyword in www.tempo.co

<sup>4</sup> <http://bisniskeuangan.kompas.com/read/2015/04/27/104324426/Presi-den.Jokowi.-Jangan.Takut.dengan.MEA> was accessed on 27th of May 2015.

Lumpur Convention Center (KLCC), Malaysia, Sunday (26/04/2015).

Kompas.com revealed Indonesia anxiety and also all member states related to AEC through the next paragraph and quotation of president. However, it also emphasized that optimism was needed in this unavoidable economic battlefield like showed below.

*Presiden Jokowi menambahkan bekerja itu harus optimis dan jangan pesimis. "Jangan takut (dengan MEA) karena semua negara juga takut dengan berlakunya ASEAN Economic Community (MEA) ini. Kita harus optimis karena kita punya produk yang macam-macam. Ini harus kita identifikasi. Mana yang punya daya saing, itu yang masuk ke negara kanan kiri. Saya kira itu yang dalam waktu pendek ini harus dikerjakan,"ujarnya.*

President Jokowi added that in working we should be optimist and don't be pessimist. "Don't afraid (of AEC) because all member states also being afraid with the implementation of AEC. We should be optimist because we have various products. These products should be identified, which one that has competitiveness and can be sold to other states. I guess it should be done in the near future," he said.

Kompas.com framing about AEC as unavoidable economic battlefield also revealed through how it tell the story about the Indonesia readiness toward AEC (**scrip structure**). According to 5W+1H formula, the things should be observed namely; the subject of debate about readiness, how the pro and con opinions, who involve in the debate, and the summery in the end. However, in this article Kompas.com only revealed one side of opinion which stated that Indonesia, like or not, should be ready for AEC. Meanwhile, another opinion was not loaded because the source inside the news only one person namely the president.

Next, according to **thematic structure**, there are two themes that were conveyed namely the readiness of Indonesia for AEC and the preparation for AEC. Both themes related to the main theme about Indonesia readiness to the unavoidable economic battlefield. Meanwhile, by **rhetoric structure** can be seen the emphasizing of adjective "afraid" in the tittle and content of the article. It showed Indonesia condition to face EAC next year.

*Second*, Kompas.com published the article related to AEC whose source was Vice President Jusuf Kalla on 27<sup>th</sup> of April 2015.<sup>5</sup> If compared to previous article

---

<sup>5</sup> <http://nasional.kompas.com/read/2015/04/28/02562181/Wapres.Masyarakat.Ekonomi.-ASEAN.2016.Untungkan.Indonesia> was accessed on 27<sup>th</sup> of May 2015.

that contained speech of President Joko Widodo, this article had more positive tone. However, the main idea is still the same namely EAC as the economic battlefield.

Through **syntaxes structure**, the Kompas.com framing of AEC can be seen from the title of articles namely "*Wapres: Masyarakat Ekonomi ASEAN 2016 Untungkan Indonesia*" (ASEAN Economic Community 2016 will be profitable for Indonesia, vice president said). The title used word profit to emphasize certain meaning. It suggested that the effect of AEC would be getting profit or getting loss. It showed that AEC was the economic battle about losing or winning.

By the lead and the first quotation, Kompas.com showed about the probability of Indonesia to win the ASEAN economic battle used some considerable reasons as presented below.

*Wakil Presiden Jusuf Kalla menyatakan pelaksanaan Masyarakat Ekonomi ASEAN (MEA) pada 2016 bisa menguntungkan Indonesia. "Pertama, pasar kita luas, punya resources (sumber daya alam) lebih baik. Kita juga punya tenaga kerja yang lebih kompetitif," kata Jusuf Kalla setelah menghadiri penutupan Konferensi Tingkat Tinggi (KTT) ke-26 ASEAN di Kuala Lumpur dan Langkawi, Malaysia pada Senin (27/4/2015).*

The Vice President Jusuf Kalla stated that the implementation of ASEAN Economic Community (AEC) in 2016 would be profitable for Indonesia. "First, our market is enormous and we having better resources. We also have competitive labors," Jusuf kalla said after attending the closing of 26<sup>th</sup> ASEAN Summit in Kuala Lumpur and Langkawi Malaysia on Monday (27/04/2015).

Kompas.com also put another point namely negative effect of AEC for Indonesia, nevertheless Kompas.com placed it in the middle of article. As I mentioned before that the aim of framing is to emphasize certain meaning. Even though also wrote about the negative effect of AEC because of some Indonesia uncompetitive products, however Kompas.com tended to underline the optimism spirit of Indonesia to welcome AEC next year through the opening sentences of the article.

Then according to **scrip structure** (5W+1H), I see the debate about losing or winning the AEC. However, Kompas.com only revealed one side of opinion which stated that Indonesia would get economic benefit from AEC. Meanwhile, another opinion was not loaded because the source inside the news only one person namely the vice president.

Next, from **thematic structure** there are two themes namely the confidence of Indonesia getting benefit from AEC and the negative effect of AEC for Indonesia economic. The two themes as matter of fact are quite opposite, but Kompas.com put

the first theme as the headline and lead of the article. Indeed, it emphasized certain meaning namely AEC would get economic benefit from AEC. The last one, through **rhetoric structure** I can see the emphasizing of word “benefit” or “advantage”. It resembled the positive spirit of Indonesia to enter the AEC era.

From the analysis of two news articles above, I would say that Kompas.com saw AEC as economic battlefield among ASEAN member states. The economic battlefield gave the anxiety in one side, but Kompas.com tried to frame the optimism of Indonesia in facing AEC.

- **Tempo.co Framing about Leaders Speech toward AEC**

Tempo.co also published the article of leaders speech about AEC. The interviewed was conducted in the same time, however Tempo.co had different emphasized point of view about the speech. Generally, Tempo.co also regards AEC as the economic battlefield among ASEAN member states. To make it clear I will analyze two of Tempo.co articles below.

*First*, Tempo.co published the article entitled “*Jokowi: Hadapi MEA 2016, Indonesia Perlu Produk Khusus*” (Indonesia Needs Special Products to Face AEC, Jokowi said).<sup>6</sup> The interviewed was conducted in the same time with Kompas.com; however Tempo.co took different news angle. Tempo.co also considered AEC as economic battlefield, so Indonesia needed to prepare for the battle. The preparation was the highlight on the news article. Seen from **syntaxes structure**, Tempo.co delivered the message through the headline and the lead inside the article. They featured the strategy to face the AEC as shown below.

*Presiden Joko Widodo menegaskan perlunya segera melakukan identifikasi produk- produk dalam negeri yang memiliki daya saing dalam menghadapi Masyarakat Ekonomi ASEAN2016. “Akan didentifikasi dalam waktu dekat ini produk-produk yang mempunyai compatible (daya saing), yang bisa menyerang kanan-kiri negara kita”kata Jokowi setelah menghadiri jamuan makan malam KTT ASEAN ke-26 di Kuala Lumpur, Minggu malam, 26 April 2015.*

President Joko Widodo asserted the importance of identifying local products that had competitiveness to face AEC 2016. “Identification of local products with such competitiveness quality that can attack our neighborhood states will be identified soon,” Jokowi said after the feast of 26<sup>th</sup> of ASEAN Summit in Kuala Lumpur on Sunday 26<sup>th</sup> of April 2015.

---

<sup>6</sup> <http://bisnis.tempo.co/read/news/2015/04/27/090661190/Jokowi-Hadapi-MEA-2015-Indonesia-Perlu-Produk-Khusus> was accessed on 27th of May 2015.

In the quotation above, it can be seen the strategy of Indonesia to attack other ASEAN states by using good quality of local product. Tempo.co tried to capture the image of battlefield and competition of AEA. Also different from Kompas.com in the same topics, Tempo.co accentuated the optimism of Indonesia to integrate with ASEAN single market.

Then from **scrip structure**, the point accentuated in this article about the strategy to win. There was no debate presented in the article, moreover the source were only one person. After that, based on **thematic structure** there were two themes inside the article namely the strategy to win and the optimism to face the AEC. The two themes related to the main theme namely AEC as economic battlefield. Then, according to **rhetoric structure**, there were the using of word of competitive product that referred to strategy of Indonesia for AEC.

*Second*, Tempo.co published the news article about Vice President Jusuf Kalla speech on the same day Kompas.com did which was on 27<sup>th</sup> of April 2015 entitled "JK: Indonesia Siap Memasuki Masyarakat Ekonomi ASEAN 2016" (Indonesia is ready to meddle in ASEAN Economic Community 2016, JK said).<sup>7</sup> The framing of this article was quite different from the previous. Tempo.co tended to frame AEC as a mutual effort of ASEAN member states than an economic battlefield.

It was delivered through the **syntaxes structure**. Tempo.co showed the Indonesia readiness to meddle in AEC next year in the headline, however if I see from the lead or opening sentences, it underlined the mutual effort of ASEAN states to make AEC successful as presented below.

*Wakil Presiden Jusuf Kalla mengatakan, salah satu misi Indonesia dalam Konferensi Tingkat Tinggi ASEAN adalah agar pelaksanaan Masyarakat Ekonomi ASEAN lancar. Dalam KTT ASEAN di Malaysia ini, salah satu yang dibahas adalah kesiapan negara- negara ASEAN terkait pelaksanaan MEA 2016. "Nanti kan diskusi di sana. Kita ingin bagaimana agar pelaksanaan MEA itu berjalan lancar," ujar Kalla di Bandar Udara Halim Perdanakusuma, Jakarta, Senin 27 April 2015.*

Vice President Jusuf Kalla stated that one of Indonesia mission in ASEAN summit was to urge AEC going smoothly. One of discussion point in ASEAN summit in Malaysia was the readiness of ASEAN states related to implementation of AEC 2016. "Later it will be discuss there. We want the implementation of EAC going smoothly," Kalla said in Perdanakusuma Airport Jakarta on Monday 27<sup>th</sup> of April 2015.

---

<sup>7</sup> <http://bisnis.tempo.co/read/news/2015/04/27/090661361/JK-Indonesia-Siap-Masuki-Masyarakat-Ekonomi-ASEAN-2016> was accessed on 27<sup>th</sup> of May 2015.

The quotation in the article above showed the framing about AEC was the mutual endeavor of ASEAN through the discussion in ASEAN summit to make sure the readiness of all members, in order to achieve the purposes of AEC.

Then, **scrip structure** of the article pointed that there was not debate in the article. The only source in the article showed the readiness of Indonesia to enter the AEC and there was no opposite opinion on the article. Next, according to **thematic structure** there was two themes in the article namely ASEAN summit was the mutual endeavor to achieve the successfulness of AEC and Indonesia was ready to enter di AEC era next year. After that, based on **rhetoric structure** there were two emphasizing words in the article namely "*lancer*" (going smoothly) and "*siap*" (being ready). The words sounded positive and described the readiness for AEC.

The analysis above showed that the framing of Tempo.co about EAC fluctuated, sometimes it featured AEC as battlefield like the first article, then it changed and framed AEC as an mutual endeavor of ASEAN member states. However the tone of news article was quite positive. It was different from Kompas.com that consistently framed AEC as economic battlefield.

#### **D. Understanding the Meaning of Indonesia Media Framing**

As I mentioned before that the aim of this paper is to show the Indonesia media's framing toward AEC issue. After doing the framing analysis used Pan and Kosicki model, I see the different framing of both media, Kompas.com and Tempo.co in publishing the article news contained AEC issue. First Kompas.com firmly framed AEC as an economic battlefield, even in the first article Kompas.com underlined AEC as unavoidable economic battlefield that like or not should be faced. Kompas.com in one side also captured the anxiety of Indonesia to jump into free flow of goods, services, labors, investment, and capital. However, Kompas.com showed how Indonesia tried to be optimist to face the AEC next year.

Then, Tempo.co has fluctuated framing. In the first article, it framed AEC as economic battlefield and the second one it accentuated AEC as mutual endeavor of ASEAN member states to gain AEC purposes. As a battlefield, Tempo.co showed the effort of Indonesia to win or to survive in AEC by identifying local products that have competitiveness. Meanwhile, in the second article about mutual endeavor, Tempo.co captured how the ASEAN member states sit together to talk about making AEC success.

By those, I want to show how media have their own perspective about issue and event. The interview was conducted in the same time, but the result in the article would be different depended on each framing of media. As I mentioned before that media has enormous role in delivering message to people. Media also has the ability to construct the public opinion. Public opinion itself is the communication act to bring message to people and hope the feedback afterward.



The media attract public attention, so that it can be influence the decision making process. Rogers and Dearing showed it using the agenda setting theory (Parsons, 2011).

In this paper I also want to show the different perspective of ASEAN and Indonesia media in seeing AEC. As I mentioned above, ASEAN regarded AEC as the mutual effort of ASEAN member states to gain the simultaneous prosperity in Southeast Asia region. Neo-liberalism sees that to achieve the better condition, the states should cooperate and bring up the interdependence among states. The Neo-liberalism perspective explained the interdependence of the states in same region and need institution or regime to ease the process.

However, media have different perspective from neo-liberalism, and nearly realism-mercantilism instead. Realism-mercantilism perspective viewed the form of economic relations among states were conflicting and zero sum game or “winner takes all” principle and also, in international relations the role of states was prominent (Hettne, 1995). According to the analysis in the previous chapter, it explained that most of the media framed AEC as the economic battlefield and the involving state had to prepare before jumping into the battle.

## **E. Conclusion**

ASEAN expected that the implementation of AEC would bring the prosperity to all member states. Based on, Neo-liberalism view that cooperation among state would give the advantages to the states, ASEAN established a regime or institution to ease the cooperation process. However, media whose influence was quite huge to people perspective, framed the AEC as an economic battlefield like realism-mercantilism perspective about international political economic. The framing of AEC as an economic battlefield pushed Indonesia to prepare and had such strategy for next year.

## **REFERENCES**

- Asean. (2014). *Thinking Globally, Prospering Regionally; Asean Economic Community 2015*. Jakarta: Asean.
- Dearing, J. W., & Rogers, E. M. (1996). *Communication Concept 6: Agenda-Setting*. California: Sage Publication Inc.
- Deutsch, K. (1957). *Political Community and The North Atlantic Area*. Princeton: Princeton University Press.
- Entman, R. (1993). Framing: Toward Clarification of A Fractured Paradigm. *Journal of Communication*.

- Eriyanto. (2002). *Analisis Framing: Konstruksi, Ideologi, dan Politik Media*. Yogyakarta: Pustaka Pelajar.
- Hettne, B. (1995). *Development Theory and The Three Worlds*. Harlow: Longman.
- Keohane, R. (1989). *International Institutions and State Power: Essays in International Relations Theory*. Boulden: Westview Press.
- Nye, J. S. (1977). *Power and Interdependence: World Politics in Transtition*. Boston: Little Brown.

## NASAKOM POLITIC OF SOEKARNO IN 1960-1967 (LITERATURE STUDY OF POLITIC, SOCIAL, AND ECONOMIC SITUATION)

*Written by: Tri Septiana Kurniati, S.Pd., M.Hum.  
English Lecturer in Indonesian Art Institute of Yogyakarta*

### **A. Introduction**

*Nasakom* stands of Nationalism, Religion and Communism. Those are the combination of three major teachings that developed in Indonesia. This idea was conveyed by president Soekarno to unite the three political parties that have a different ideology.

Seeing from the Javanese way of thinking that is familiar to merge the multiple streams, or different teaching into one, *Soekarno* initiated to unite them into one, namely Nationalism, Islam and Marxism which is popular with the term *Nasamax*. As we know that one of the Javanese characteristic is syncretism. Javanese syncretism allows people to combine everything that are good from them-selves and what is considered good also from the outside.<sup>1</sup>

The seed of *Nasakom* was actually created since the days of the national movement in the early 20th century, when there were four large powers such as: *Sarikat Islam* (SI), the Indonesian Communist Party (*PKI*), Indonesian Association (*Perhimpunan Indonesia*), and the Indonesian National Party (*PNI*). However there was a conflict at that time as each leader especially from *PKI* and *SI* about each ideology, but then they were also split because of the different perception about the party policy.

The contradiction was clearer in November 1920 when *PKI's* newspaper wrote in Dutch language 'Het Vrije Word' or Free-Word that published some *Lenintheses* about the problems of nationalism and colonization which includes the criticism of the Pan-Islamic and Pan-Asians. The result was the instability of the country (especially for the nationalist movement) as the two powerful parties were separated to promote their-selves among the nationalist groups to attack Dutch colonial rules. Some ways and efforts made by the party leaders to resolve these conflicts. They tried to unite them back, but it was failed.

Seeing the conflicts occurred among the nationalist movement group, *Sukarno* wrote an article in *Indonesia Muda* Newspaper. The points are about nationalism, Islam and Marxism. Basically, those three parties have the same goal, namely, the nationalism spirit to fight against the west capitalism and imperialism. *Sukarno*

---

<sup>1</sup> Badri Yatim, *Soekarno, Islam, dan Nasionalisme: Rekonstruksi Pemikiran Islam Nasionalis*, Jakarta, Inti Sarana Aksara, 1985, hlm.7.

believed all three can be united to face the main enemy. His belief about the three powers stated in his writing on *Suluh Indonesia Muda*:

*"Bertahun-tahun, berwindu-windu, rakjat=raakjat Eropah itu mempertuankan negeri-negeri Asia. Berwindu-windu rejeki-rejeki Asia masuk ke negerinja. Teristimewa Eropah Baratlah jang bukan main kekajaanja.*

*Begitulah tragiknya riwayat negeri djadjahan! Dan keinsjafan akan tragic inilah jang menjadarkan rakjat-rakja tdjadjahan itu: sebab, walaupun lahirnja sudah kalah dan takluk, maka spirit of Asia masihlah kekal, Roch Asia masih hidup sebagai api jang tiada padamnja! Keinsjafan akan tragic inilah pula jang sekarang menjadi njawa pergerakan rakjat di Indonesia-kita, jang walaupun dalam maksudnja sama, adan mempunjai tiga sifat: NASIONALISME, ISLAMISTIS, dan MARXISTIS-lah adanja.*

*Mempeladjari, mentjahari hubungan antara ketiga sifat itu, membuktikan bahwa tiga haluan ini dalam suatu negeri djadjahan tak guna berseteruan satu sama lain, membuktikan pula, bahwa ketiga selombang ini bisa bekerdja bersama-sama mendjadi satu gelombang jang maha besar dan maka-kuat, satu ombak jang tak dapat di tahan terdjangnya, itulah kewadjiban jang kita sama harus memukulnja.*

*Akan hasil atau tidaknja kita mendjalankan kewadjiban jang seberat dan semula itu, bukanlah kita jang menentukan. Akan tetapi, kita tidak boleh putus-putus berdoja-upaja, tidak boleh habis-habis ichtiar mendjalankan kewadjiban ikut mempersatukan gelombang-gelombang tahadi itu! Sebab kita yakin, bahwa persatuanlah jang kelak kemudian hari membawa kita ke arah terkabulnya impian kita: Indonesia-Merdeka!"<sup>2</sup>*

After Indonesian independence, it was still difficult to unite between parties with different ideologies. Moreover, there was an opened conflict between *PKI* and *Masyumi*. *PKI* drives demonstrations on September to workers. They provoke the workers or labor to stop working, and asked them to take over their lands or fields from their landlord in Surakarta. In the other side, *Masyumi* contradicted towards *PKI* provocation. *Masyumi* supports or motivate the people to keep working.

At the middle of September 1948, the situation was more dangerous. *PKI* rebellion in *Madiun* leaded by *Muso* was successful to kill *Masyumi* and *PNI* leaders, and also some villagers. This was finally finished by Indonesian Military on October 31st, 1948 by killing *Muso*.<sup>3</sup>

This writing has some fundamental issues to be discussed and reviewed. This writing will focus on all things about *Nasakom* doctrine declared by President

---

<sup>2</sup> Soekarno, *Di Bawah Bendera Revolusi*, Djilid Pertama, Djakarta: 1963, hlm. 2.

<sup>3</sup> Pipit Seputra, *Beberapa Aspek dari Sejarah Indonesia*, Flores, Nusa Indah, 1973, hlm. 351.

*Soekarno* during the guided democracy. There are three questions formulated in this writing, they are:

1. How was the political, economic, and social situation of Indonesia before the issue of *Nasakom* doctrine?
2. What was the purpose of *Bung Karno* to issue *Nasakom* doctrine?
3. How was the ending of *Nasakom* doctrine?

As stated on the research questions, the objectives of the research are: to describe and analyze the condition of political, economic, and social situation in Indonesia before the issue of *Nasakom* doctrine, to describe and analyze the purpose of *Bung Karno* to issue *Nasakom* doctrine, and the last one is to describe and analyze the ending of *Nasakom* doctrine.

## **B. Theoretical Reviews**

In this literature review, the writer uses some sources. Those sources are useful as references to review and research the data correctly. The books used contain all about Indonesia pre-independence period, the time of independence to put forward a system of guided democracy, some of the books are:

*Badri Yatim, SOEKARNO, ISLAM, dan NASIONALISME: Rekonstruksi Pemikiran Islam Nasionalis, Jakarta, Inti Sarana Aksara, 1985.* The book explained about *Soekarno* reasons to unite among the nationalists' parties, Islamic parties, and Marxist. This book helps the writer to analyze *Soekarno's* point of view about Islam in particular, and its relationship to struggle for the freedom.

*G. Moedjanto, Indonesia 20<sup>th</sup> Century II, Yogyakarta: Kanisius 1998.* This book helps to complete the understanding of Indonesian history during Cabinet *Ali II* which has correlation with the Parliamentary Cabinet July 5, 1959 or Presidential decree that provides the basis towards the creation of guided democracy.

*Pipit Seputra, Beberapa Aspek dari Sejarah Indonesia, Flores, Nusa Indah, 1973.* *Pipit Seputra* wrote about the aspects of Indonesian history especially the detail situation in social, political, and economic sector. This book also shared about the history of multi-parties, ideology in Indonesia, civil military relations, and the reasons of *Bung Karno* issued some policies.

*M.C. Ricklefs, Sejarah Indonesia Modern, Terj. Dharmono Hardjowidjono, Yogyakarta: Gadjah Mada University Press, 1994.* *Ricklefs* was very helpful in analyzing the socio-political and economic situation in Indonesia, especially during the guided democracy until *Nasakom* doctrine issued. The book explained about the relationship between the military, government, and the parties. The economic situation is shown in full based on the data so it can be seen that there was progress or the up and down economic situation at that time.

*Soekarno di Bawah Bendera Revolusi djilid pertama cetakan kedua, Djakarta, panitiaya penerbit Di bawah Bendera Revolusi, 1963.* This book is the primary source because it

was written by *Soekarno* himself. It is an important reference in this writing because it covers all basic thoughts of *Soekarno* to unite the three major powers, namely nationalism, Islamism and Marxism that grew rapidly at that time and successfully drove Indonesian revolution.

*Tim Sekretariat Negara, 30 Tahun Indonesia Merdeka, Jakarta, Tira Pustaka, 1980.* This book makes the writer easier to write the chronology of the events. It shared chronological events supported by some data from newspaper in 1960-1967.

Theory and research should be together in increasing scientific knowledge. A social scientist should connect their point of view, experiences, and understanding with some related theories from any references. Theories can also be used as references to direct an empirical study to show the facts. The writer will use theoretical basis of politics, nationalism, religion (Islam) and Communists (Communism).

### ***B.1. Politics***

Politics is everything connected with the government, institutions, and political processes, pressure of groups, international relations, and governance. In this writing, politic is specify on any policy issued by President *Soekarno* in his position as the head of the State, the head of Government, the Leader of the revolution, and the Supreme Commander of the Armed Forces to bring together the parties of different ideology and unite all the existing potential in order to maximize the revolution in a national front, named *Nasakom*.<sup>4</sup>

### ***B.2. Nationalism***

Nationalism is a state of mind in which the supreme loyalty of the individual is felt to be due the nation state. *Soekarno* explicitly stated that nationalism actually encourages any group that does not feel "one class-one nation" with the other people. Nationalism comes from the word nation. Nation has two meanings; nation in terms of anthropological, sociological and nation in the political sense. In anthropological and sociological meaning, the nation is society that is a communion of life that stands alone and each member of the communion of life feel a unity of race, language, religion, history, and customs. In political term, all people in the same area, they are the subject to the sovereignty of the country as a supreme authority to the outside and into.<sup>5</sup>

### ***B.3. Religion***

Religion is rules or procedures of human life in relation to God and to others. Religion is also referred as a guide to human life, how he should think, behave and

---

<sup>4</sup> Hans Kohn, *Nasionalisme, Arti, dan Sejarahnya*, Jakarta, PT. Pembangunan, 1961, hlm. 11.

<sup>5</sup>Aminuddin Nur, *Pengantar Studi Sejarah Pergerakan Nasional*, Jakarta, Pembimbing Massa, 1967, hlm. 87.

act, so can create a harmonious relationship between humans and the close relationship with the Creator. This paper deals in the religion of Islam which is represented by *Masyumi* and *Nahdlatul Ulama (NU)* parties. The understanding of Islam as a religion is: a doctrine revealed by God, the Prophet Muhammad, for all human by Al-Quran as a holy book. In addition to Al-Qur'an and *Sunnah* are used also the authentic Hadith, form commands, prohibitions and guidelines for the welfare and happiness of human life on earth and in the hereafter. To achieve that goal, Islam teaches aspects that has to do with temporal and hereafter. Based on the above understanding that all political activities, political ideology of Islam is based on the desire to serve God. The laws applied based on Islamic moral teachings.<sup>6</sup>

#### **B.4. Communist / Communism**

Communism is an ideology that bases itself on the teachings of Marxism and Leninism. Marxism is actually the practice teachings of Karl Marx. The point of Marxism is the doctrine of the superstructure base of society, the class struggle teaching, and revolution. Marx stated that the livelihood of humans determined by the way of thinking, material or goods produced in society. The capitalists want to increase profits by decreasing production costs, while the proletariat wanted to increase its income. Relations of production tend to be conservative, as the capitalists are concerned to perpetuate their exploitation of the proletariat for the sake of their livelihood, so that their dominance is maintained desperately.

According to the followers of Marx Engels, Capitalism is a form of society that will continue to force the workers. Leninism later added on historical materialism, dialectical materialism, and the economic doctrine of *Marx* in *Das Kapital* politic into Marxism/ Leninism or Communism. According to *Lenin*, the proletarian revolution must be led by a party.

Communism is in one party which is named Indonesian Communist Party (*PKI*). *PKI* accept *Pancasila* as the state philosophy. *PKI* is not also bounded by powers outside of Indonesia because *PKI* has the highest power in Indonesia at that time. People's Democratic system according to *PKI* is a system of government that can be cooperated with the people. *PKI* struggled with one purpose that is to reach peaceful democratic.<sup>7</sup>

### **C. Research Methodology**

There are some methods used in this paper, they are:

1. Collecting source (heuristic), gotten from literature sources. Source literature aims to explain *Nasakom* politic of *Bung Karno*. Sources and theories of literature in the

---

<sup>6</sup> M.C. Ricklefs, *Sejarah Indonesia Modern, Terj. Dharmono Hardjowidjono*, Yogyakarta: Gadjah Mada University Press, 1994, hlm. 377.

<sup>7</sup> A.H. Nasution, *Memenuhi Panggilan Tugas Jilid 5*, Jakarta, Gunung Agung, 1985, hlm. 42-43.

- form of research resulted from previous writing. To complete the writing result, the writer also read some magazines or newspapers published in 1960-1967.
2. Criticism source (verification) is done by making comparison among sources with the related topic. The writer then processes all information by analyzing the equality or appropriateness of the contents or data.
  3. Interpretation/ Interpretation Source, is interpret the data that has been verified then analyze according to the research problem.
  4. Historiography/ Writing History, is a process aims to present the results of research into the writing history.

## **D. Discussion**

### ***D.1. Economic, Social, and Politic Situation before Nasakom Doctrine***

Indonesia is an archipelago consisting of various tribes, languages and customs. The condition makes disintegration happened easily. To anticipate this, the motto 'unity in diversity' or *Bhineka Tunggal Ika* should be held and make it as a guide of all life sectors. Differences between the ideologies that exist in the atmosphere of multi-party for example would greatly impede the process of unity if each party always have the greatest belief on their ideology, and consider other ideologies were not good.

Based on the spirit of nationalism, people with different political and social attitudes, culture, language, and religion, are hoped to have the similarity of goals and objectives, it is for the unity of the nation. The condition at that time was not conducive as conflicts were everywhere whether it is among the parties, ideologies, racial, ethnics, and so on.

If the union between the three party election winners that had a mass base could be united, *Soekarno* was very confident that all problems faced by Indonesia at that time like the political and economic crisis, and the outside threat called *Nekolim* could be overcome easily.

The condition was not easy at that time. *PKI Madiun* uprising was crushed after the split occurred again. It happened between Islamic parties *Masyumi* and *Nahdlatul Ulama* because of the minister position after cabinet *Sukiman* fell. *Nahdlatul Ulama* chairman stated that *Wahid Hasyim* was suitable to occupy the position, but *Wilopo* chose *Fakih Usman*, the leader of the reformist group of *Muhammadiyah* for the post of religion minister. Two days after the inauguration, cabinet *Wilopo*, on April 6, 1952, from *Nahdlatul Ulama* was out from *Masyumi*.

By holding the elections, political temperature was increasing. This time *PKI* that has begun to rise up against *Masyumi* in November 1954 announced that they receive *Pancasila*, including belief in God. *Masyumi* was the party of anti-national, pro-western, rejected and opposed to *Pancasila*.

To resolve disputes between parties, political tensions that occurred in the center and regions, such as the conflict between government forces and the Army on



October 17, 1952, between *DI*, *TII*, *Kahar Muzakar*, and *David Beureuh*, then on 29th of September 1955, Indonesia held election to choose members of the House. In the first election, there were 39 million voters to represent 91.5 percent of registered voters, with the acquisition of voting results as follows: *PNI* was in the top rank gained 8.434.653 votes. So that *PNI* got 57 seats in parliament. *Masyumi* was in the second rank gained 7903.886 votes. So *Masyumi* got 57 seats in parliament. *NU* got 6.955.141 votes, so that it got 45 seats in parliament. The last, *PKI* was in the fourth rank gained 6.176.914 votes and got 39 seats in parliament.

Guided by the results of the elections that have been conducted, then on November 12, 1955, *Soekarno* made a speech. The content of his speech was: "unity, harmony life supported by cooperation between the nationalists, religious and Marxist". The desire to unite among parties, *Soekarno* expected to change the situation and brought an improvement in the political life.

The stability of the government was not reached because Parliament election results, as well DPRS, fragmented in many parties. Every cabinet was depended on the support of parties participated in the coalition. *Ali Sastroamijoyo* cabinet or *Cabinet Ali II* was formed and initially gave hope for improvement of the country conditions as it was supported by *PNI*, *Masyumi*, and *NU*. But this cabinet was not long as the issues of corruption and the seizure of power in some areas by the military, especially in *Sumatra* and *Sulawesi*.

This situation made President *Soekarno* on February 21, 1957 issued a notion that became known as the "Conception of the President". The contents of conception are: the establishment of a democratic system guided the formation of a cabinet consisting of four parties; they are *PNI*, *Masyumi*, *NU* and *PKI*, and the establishment of the National Council. The idea of President got some different response from the four parties. *PNI* and *PKI* accepted the idea, while *Masyumi* and *NU* rejected. The military was dissatisfaction with cabinet *Ali* indicated by forming the Universe Struggle Council (*Permesta*), on March 2, 1957. Seeing the worsened condition, on March 14, 1957, Cabinet *Ali* returned its mandate to the President. After cabinet *Ali* fell, President *Soekarno* on April 9, 1967 formed the Cabinet working, led by *Juanda* as the Prime Minister. Cabinet formation was opposed by *Masyumi*. They considered it was incompatible with the Constitution.

At the time there was a movement cabinet from workers who take over the companies from Netherlands. This movement occurred because of the failure of the struggle for West-Irian liberation through the United Nations. The military leaders in some areas were also disappointed with the cabinet working by establishing the Revolutionary Government of the Republic of Indonesia (*PRRI*) on 15 February 1957. During the work, the cabinet had high desire to return to *UUD'45*, and then realizing these objectives, the President on 19 February 1959 conveyed the message to the Constituent Assembly that they were failed in their duties.

Constituent failure returned back *UUD'45*, made President on July 5, 1959 issued a decree containing solution of Constituent Assembly, a re-enactment of *UUD'45*, and the declaration of *MPRS* and *DPAS* formation would be done in the shortest possible time. *UUD'45* reenacted President *Soekarno* in his position as the head of state and the head of government. On July 9, 1959 immediately he formed the cabinet working with *Juanda* as the first minister. By the formation of cabinet working, Indonesia entered a new phase of government called guided democracy.

To reinforce the positions in the government, *Soekarno* on August 17, 1959, in his ideology speech stated about guided democracy called the Political Manifesto, or Manifesto, which is based on *UUD 45*, Indonesian Socialism, Guided Democracy, Guided Economy, and Indonesian personality. The political wisdom (USDEK) expressed by Sukarno was contradictive with *Masyumi* and *PSI*. As a result, their writings in some newspapers were forbidden to publish especially those which disseminate the teachings and wisdoms from the government.

At that time, there was great inflation. To overcome the problem, on 25 August 1959 rupiah was devaluated by 75%. A monetary circulation was instructed by lowering all values. Rp.500.00 and Rp.1000.00 became tenth from their nominal value. The bank deposits that are in large amounts were frozen. This action reduces the amount of the money stock from Rp.34 billion to Rp.21 billion.<sup>8</sup>

The economic difficulties and high inflation rate led to military action by taking steps to prohibit strangers to conduct trading activities in rural areas. This prohibition is considered very detrimental to the Chinese merchants so opposed by the President and *PKI*. To overcome the economic crisis, the government arranged the budget that was passed by Sukarno, but this budget was rejected by the House of Representatives. *Soekarno* was not satisfied with the rejection, then he dissolved the House of Representatives; the election results in 1955. *Masyumi* and *PSI* action against Sukarno by forming the League for Democracy, as the lack of support, the league soon shattered. As a reaction to the attitude of *Masyumi* and *PSI*, *DPR-GR* and *MPRS* were formed, where *Masyumi* and *PSI* did not get any seats, thus automatically made them did not have representation in any government institution. On August 1960 *Soekarno* took the bold step of abolishing *Masyumi* and *PSI*. Both parties have always opposed the government policies such as opposition to Guided Democracy, and was involved in *PRRI*. Those are the description of political, economic, and social situation at that time.

## ***D.2. The Purposes of Soekarno Doctrine***

See the contradictions and conflicts that always happened, then Sukarno desired for unity and cooperation among the revolutionary forces. This unity was

---

<sup>8</sup> M.C. Ricklefs, *Sejarah Indonesia Modern*, Terj. DharmonoHardjowidjono, Yogyakarta: Gadjah Mada University Press, 1994, hlm. 404.

necessary for the work program in order that the government could run smoothly without opposition of the major parties. In addition, the presence of outside forces in the form of Imperialism and Colonialism styles (*Neo-Kolim*) were considered very damage towards the national unity. To anticipate the disintegration then in August 1960, *Sukarno* formed a National Front called Nationalism, Religion, and Communism (*Nasakom*).

*Soekarno* in August 1960 issued *Nasakom* doctrine. *Nasakom* expected that all opposition to the doctrine, as well as conflicts between parties of different ideologies would end. Nationalists would be able to cooperate with the religion, as well as the religion especially Islam will be able to accept the Communists as an equal partner.

A coalition between the three major parties winners of the election in 1955, *PNI* represents the nationalist; *NU* represents the *Muslims*, and *PKI* represents communist groups. The unity of the three major parties was equally participated in all fields of governmental system. It also increased satisfaction result which was based on a coalition of political forces.

In the early years after the issue of *Nasakom*, it showed its remarkable success. The fact was all leaders of *PRRI-Permesta*, *DI-TII*, and *RMS* defeated. Other evidence of *Nasakom* was its success in returning West-Irian to Indonesian Republic in 1962.

The success in politics and military were not balanced with the condition of economic and social at that time. The racial riots and high inflation rate made *Indoneisa* in the long economic crisis situation. The situation made the opposition tried to do 'kudeta'.

### ***D.3. The Ending of Nasakom Doctrine***

The Armed Forces were emerging as a new political force after its success in crushing the uprising in various areas such as Java. It was no longer a serious threat to the rule of *Soekarno*. The ending of crises and conflicts as well as the unification of the nationalists, religious, and communists in *Nasakom* issue provided new energy for *Soekarno* to keep moving the wheels of the Indonesian revolution.

Revolution was categorized as a successful revolution if it is supported by the forces of socio-political, military and all the people of Indonesia. So the designation as the Leader of the Revolution and served as supreme commander of the Armed Forces of Indonesian Republic needed the power support from civilian and military strength. *Soekarno* wanted to bring back the entire nation into a national identity. So he launched a major revolution, and everyone should participate in it. All people had to fight against everything that cannot be adapted to the national government way of thinking.

Like revolutions in the other world, the Indonesian revolution also had enemy like imperialism, colonialism, neo-colonialism and feudalism. Therefore, the purpose of the Indonesian revolution is to break all the circum stances that hinder

our growth to the later, and then another period. Break down meaning we negate, destroy imperialism, colonialism, neo-colonialism and feudalism.

To continue the course of Indonesian revolution, Soekarno openly urged all interested parties to join him to realize "*Ratu Adil*", the main unifying factor in order to build national unity. It is also intended to reconcile the various streams that culturally and ideologically different. *Soekarno* missed to unite the three political streams within Indonesian society. Then he wanted to remove the ideological dividing lines (generally classified as nationalists, Muslim, and Marxist) inside the robust integrated container called *Nasakom*.

The incident on September 30th 1965 was a turning point of *Nasakom* that began to crack. '*Lubang Buaya*' incident which has caused six generals who were loyal to *Soekarno* died also conveyed a conflict between PKI and Military. The power struggle between PKI and Military has created "the killing fields" for thousands of national people.

*Soekarno* tried hard to stop that condition, but he failed. His failure to stop the conflicts between PKI and Military was also the failure indication to maintain *Nasakom* doctrine. However, we cannot one hundred percent blame *Soekarno* for his only seven years in governmental practice, as well as his *Nasakom* concepts upon his fall in 1965-1967.

The very ironic condition was the revolution which is always stated as the buster in any situation, and then finally *Soekarno* him-self was revealed from the power. *Sukarno* drowned and failed in the revolution ocean he created. That was automatically the end of *Nasakom* doctrine.

## **E. Conclusion**

After Indonesian independence from Netherlands and Japan, Indonesia applied parliamentary system and the multi-party to run its government. A parliamentary system of cabinet's responsible to a single chamber parliament (House of Representatives or *DPR*). The Cabinet was formed based on a coalition between parties. In the journey, the parliamentary system got a challenge because of the ideological contradictions in it, so that the cabinet frequently upped and downed.

To overcome this problem, the governments hold an election in 1955 with the aim of selecting the Legislative and Constituent Assembly members. The people believed that the election will form a solid political structure in the future, but these hopes soon turned to disappointment. *PNI* and *Masyumi*; the two parties only got 22% of the vote, while *NU* and *PKI* were successful in the election. By not obtaining the single majority, then the general election was not the solution of the difficulties in parliamentary system.

The failure of parties in getting absolute vote caused a long crisis result of multi-dimensional. Political, economic, and social were instable situation. The rebels

took benefits from that situation. They separated among the parties' members and provoked people to against the central government, so Indonesian people had racial conflicts among them-selves. The economic condition was also pointed by the high inflation and corruption practices every-where.

Chaos' and anarchists' situation occurred were considered very dangerous for the existence Indonesian Republic. Therefore *Soekarno* determined to maintain the unity of Indonesia. One of the ways was by issuing Presidential Decree which was read out on July 5, 1959. *Soekarno* applied democracy and gained legitimacy. Feeling not quite effective with only issuing Presidential Decree, *Sukarno* in August 1960 announced the formation of nationalism to unite some different policy of powerful parties, which is named *Nasakom*.

Through guided democracy and the formation of *Nasakom*, *Soekarno* controled, regulated, and run the government. There was no chance for the parties to drop the cabinet, as the purpose of *Nasakom* was to keep the unity of the nation. However, *Soekarno* had the other purposes in forming *Nasakom*; they are to finish the British neo-colonialism in Malaysia, to stop United States and Australia interference in Indonesia, to defeat the Netherlands in West-Irian, and the most important one was to avoid a crashed understanding between PKI and Military.

In the early years after the issue of *Nasakom*, it showed its remarkable success. The fact was all leaders of *PRRI-Permesta*, *DI-TII*, and *RMS* defeated. Other evidence of *Nasakom* was its success in returning West-Irianto Indonesian Republic in 1962.

The success in politics and military were not balanced with the condition of economic and social at that time. The racial riots and high inflation rate made *Indoneisa* in the long economic crisis situation. The situation made the opposition tried to do 'kudeta'.

The incident on September 30th 1965 was a turning point of *Nasakom* that began to crack. '*Lubang Buaya*' incident which has caused six generals who were loyal to *Soekarno* died also conveyed a conflict between PKI and Military. The power struggle between PKI and Military has created "the killing fields" for thousands of national people.

*Soekarno* tried hard to stop that condition, but he failed. His failure to stop the conflicts between *PKI* and Military was also the failure indication to maintain *Nasakom* doctrine. However, we cannot one hundred percent blame *Soekarno* for his only seven years in governmental practice, as well as his concepts upon his fall in 1965-1967.

The very ironic condition was the revolution which is always stated as the buster any situation, now he him-self was uncovered from the power. *Soekarno* drowned and failed in the revolution ocean he created.

## REFERENCES

- Badri Yatim, *SOEKARNO, ISLAM, dan NASIONALISME: Rekonstruksi Pemikiran Islam-Nasionalis*, Jakarta, IntiSaranaAksara, 1985, hlm. 7.
- Soekarno, *Di Bawah Bendera Revolusi*, Djilid Pertama, Djakarta: 1963, hlm. 2
- Pipit Seputra, *Beberapa Aspek Dari Sejarah Indonesia*, Flores, Nusa Indah, 1973, hlm. 351
- M.C. Ricklefs, *Sejarah Indonesia Modern*, terjemahan Dharmono Hardjowidjono, Yogyakarta: Gadjah Mada University Press, 1994, hlm. 377.
- Tim Sekretariat Negara, *30 Tahun Indonesia Merdeka 1950-1964*, Jakarta, Tira Pustaka, 1980, hlm. 107.
- G. Moedjanto, *Indonesia Abad ke-20 II*, Yogyakarta, Kanisius, 1998, hlm. 105.
- Koentjaraningrat, *Metode-metode Penelitian Masyarakat*, Jakarta, Gramedia Pustaka Utama, 1993, hlm. 10.
- J. Vredendregt, *Metode dan Tehnik Penelitian Masyarakat*, Jakarta, Gramedia, 1980, hlm. 2.
- Hassan Shadily, *Ensiklopedia Indonesia jilid 5*, Jakarta, Ichtiarbaru-Van Hoeve, 1984, hlm. 2739.
- Hans Kohn, *Nasionalisme, Arti, dan Sejarahnya*, Jakarta, PT. Pembangunan, 1961, hlm. 11.
- Aminuddin Nur, *Pengantar Studi Sejarah Pergerakan Nasional*, Jakarta, Pembimbing Massa 1967, hlm. 87.
- B. Setiawan, *Ensiklopedia Nasional Indonesia Jilid I*, Jakarta, PT. Cipta Adi Pustaka, 1988, hlm. 125.
- Nasruddin Razak, *Dienul Islam*, Bandung, PT Alma'arif, 1996, hlm. 61-62.
- B. Setiawan, *Ensiklopedia Nasional Indonesia Jilid 9*, Jakarta, PT. Cipta Adi Pustaka, 1988, hlm. 87-88
- A.H. Nasution, *Memenuhi Panggilan Tugas Jilid 5*, Jakarta, Gunung Agung, 1985, hlm. 42-43.
- Kunto Wijoyo, *Pengantar Ilmu Sejarah*, Yogyakarta, Benteng Budaya, 1997, hlm. 89-105 dan Louis Cottchal, *Mengerti Sejarah*, terj. Nugroho Notosusanto, Jakarta, UI Press, hlm. 34-40.
- Solichin Salam, *Bung Karno Putra Fajar*, Jakarta, PT. Gunung Agung, 1966, hlm. 122.
- Bob Hering, *Biografi dan Kepribadian Soekarno Pendiri Republik Indonesia dalam 100 tahun Bung Karno*, Jakarta, Hasta Mitra, 2001, hlm. 76.