SOUTHEAST ASIAN SECURITY

After September 11

Amitav Acharya, Nanyang Technological University, Singapore
The Asia Pacific Foundation of Canada is proud to sponsor the publication of the *Canada in Asia Series on the Foreign Policy Dialogue*. This series is a collection of papers that the Foundation commissioned in early 2003, in response to a dialogue on Canadian foreign policy initiated by Minister of Foreign Affairs Bill Graham. As Canada’s leading think-tank on Asia, the Foundation is at the forefront of policy analysis on Canada-Asia relations, and we periodically draw on the expertise of Canadian scholars to help us in our work. I am delighted Professor Amitav Acharya of the Nanyang Technological University, Singapore, has prepared this paper on Southeast Asian security and am confident that his insights and recommendations will inspire further thinking on Canada’s role in Asia.

The task of rethinking Canada-Asia relations does not end with the Foreign Policy Dialogue. The Foundation produces a range of print and electronic products that provide insight on key developments in Asia. Our flagship publication — the *Canada Asia Review* — is an annual stock-taking and report card on major aspects of the trans-pacific relationship. We also publish a daily news service, weekly business intelligence bulletin, monthly investment monitor, quarterly economic and political outlook, and periodic commentaries on critical policy issues. In addition, the Foundation is the Canadian focal point for major Pacific Rim business and economic cooperation networks. I invite you to sample our products at www.asiapacific.ca and to join us in further dialogue and debate on the future of Canada-Asia relations.

John D. Wiebe
President and CEO
Asia Pacific Foundation of Canada
INTRODUCTION

The Dialogue on Canadian Foreign Policy, launched by Minister of Foreign Affairs Bill Graham in January 2003, represents a modest but important effort to review key developments in the world since the government’s last major policy statement in 1995—known as Canada in the World. The intervening years have been momentous, especially the events surrounding 11 September 2001. With the conclusion of the dialogue and release of the official report in July 2003, the stage is now set for a more far-reaching and in-depth debate on the re-orientation of Canada’s foreign policy priorities.

In Asia no less, the period 1995-2002 has been one of dramatic change. The Asian Miracle of the 80s and early 90s gave way to the Asian Crisis of 1997-98, triggering waves of political change, economic restructuring and social transformation. Against the backdrop of leadership transition, China not only avoided the Asian Crisis, but has also emerged as a formidable economic power and a skilful practitioner of international diplomacy. Japan, on the other hand, has experienced economic stagnation through this period. Written off by so many commentators, the “sick man of Asia” still happens to be the richest and most technologically sophisticated kid on the block, by a large margin. Structural reforms in Japan that strike at the core of Japanese economic, political and social organization have gone largely unnoticed.

For its part, India has completed a decade of fitful, but largely successful economic reforms and is anxious to take its place as a global and regional power. India confirmed its place in the nuclear club in 1998, followed shortly after by Pakistan, raising the spectre of nuclear war in the sub-continent. Southeast Asia is going through its own identity crisis. Having largely shaken off the stigma of the Asian Crisis, it now has to compete with China for the affection of global investors, while fending off unsavoury images of the sub-region as “the second front in the war on terrorism.” More broadly, there has been a proliferation of bilateral trading arrangements and a resurgence in East Asian regionalism, led by China. These cross-currents, in addition to many other recent developments in the region, provide ample complexity for a serious re-evaluation of Canada’s foreign policy toward Asia.

As a contribution to the Dialogue on Canadian Foreign Policy, the Asia Pacific Foundation of Canada commissioned seven papers to look at key issues in the Canada-Asia relationship. There were three country-specific papers—on China, Japan and India. Two papers dealt with regional issues—nascent East Asian cooperation and the post-September 11 security environment in Southeast Asia. The remaining two papers looked at different sides of the Asian demographic in Canada—the supply of skilled worker immigrants from Asia, and implications of the growing Asian population for Canada’s international relations. We also launched a web forum on Canada-Asia relations, based on the seven papers, and held a workshop in Ottawa on 27 March 2003. The Foundation’s official submission to the foreign policy dialogue, available at <http://www.asiapacificresearch.ca/caprn/discussion/papers/apfc.pdf>, is the product of collective wisdom from the commissioned papers, workshop discussion, in-house research, and other expert input.

The purpose of this publication series is to make the seven commissioned papers more widely available and to extend the ideas and recommendations beyond a foreign policy dialogue into foreign policy formulation. I would like to express my personal gratitude to the authors for their contributions and for helping the Foundation in its mission to deepen the awareness and critical thinking of Canadians on our relations with Asia.

Yuen Pau Woo
Vice President, Research and Chief Economist
and Series Editor
Asia Pacific Foundation of Canada
AFTER SEPTEMBER 11

September 11, 2001 marked the end of the post-Cold War era in Southeast Asian security. The new era retains some of the major problems and responses of the preceding order, but features several important new elements. Chief among them is the US strategic re-engagement in Southeast Asia. US counter-terrorism policy is one of the most important forces driving regional security in Southeast Asia today. This paper is divided into three parts. The first looks at the security outlook of Southeast Asia after September 11. The second looks at wider geopolitical context of the region, especially strategic realignments among the major Asian powers. Finally, the third examines the future of the Asian balance of power system, which many believe is the most important determinant of regional order in Southeast Asia.

CHALLENGES TO SOUTHEAST ASIAN SECURITY

The most important challenges facing security order in Asia, especially Southeast Asia, continue to derive from internal and intra-regional sources. Prior to September 11, 2001, the major security challenges facing Southeast Asia were intra-ASEAN disputes and domestic instability, and the South China Sea sovereignty issues. These challenges remain, although none is likely to lead to armed conflict. Despite recent Thai overtures to improve its relationship with its neighbours, underpinnings of mutual suspicion remain in Thai-Myanmar relations, and Thai-Cambodia relations suffered a major setback in the wake of the anti-Thai riots in Cambodia. While the political situation in Indonesia remains uncertain with approaching presidential elections, the Megawati government has restored a modicum of stability and there is no imminent prospect of a regional spill-over of domestic strife as feared in the late 1990s. Separatist movements in Aceh and Irian Jaya remain a challenge, although the peace process in Aceh experienced a breakthrough for a period.

There have been positive developments in dispute settlement processes in the region. Malaysia and Indonesia have successfully settled their territorial dispute over the Sipadan and Ligitan Islands through arbitration by the International Court of Justice. Singapore and Malaysia have signed an agreement to refer their dispute over the Pedra Branca islands, which has attracted a lot of media attention as a possible flashpoint for armed conflict, to the International Court of Justice.

Since the 1990s, the Spratly Islands dispute involving China, Taiwan, the Philippines, Malaysia, Vietnam and Brunei has been seen as a major challenge to regional stability in Southeast Asia. Hence, the November 2002 “declaration” on a code of conduct in the South China Sea signed by China and ASEAN is an important development. The declaration commits the parties “to exercise self-restraint in the conduct of activities that would complicate or escalate disputes and affect peace and stability including, among others, refraining from action of inhabiting on the presently uninhabited islands, reefs, shoals, cays, and other features and to handle their differences in a constructive manner.” While limited in scope (it does not include a specific commitment to freeze erection of new structures in the disputed area, a commitment sought by the Philippines, but refused by China) and not a legally binding document, the declaration confirms China’s gradual move toward a multilateral posture of dealing with ASEAN on a subject that it had previously insisted on resolving on a bilateral basis. The declaration also reflects the Chinese acknowledgement that a military confrontation over the Spratlys would be detrimental to its interests. The South China Sea dispute has receded to the background amidst other, more pressing challenges to regional order. China itself sees the dispute as a distraction from its efforts to deal with the Taiwan issue and tend to its economic development.

Since September 11, 2001, a new challenge, that of transnational terrorism, has come to dominate the security perceptions and agenda of Southeast Asian governments. Southeast Asia has been termed by some analysts as the “second front” in the global war on
terror. This view rests on the belief that with its defeat in Afghanistan, Al-Qaeda elements have shifted their attention to Southeast Asia. Southeast Asians who trained in Afghanistan have returned home, where they could respond to the Al-Qaeda leadership’s periodic call for terrorist strikes against Western targets. In this view, Southeast Asia offers an attractive home to international terrorism, thanks to a combination of factors: multi-ethnic societies; weak and corrupt regimes with a tenuous hold over peripheral areas; ongoing separatist insurgencies that lend themselves to exploitation by foreign elements; governments weakened by the financial crisis; and newly created democratic space in some of its larger polities such as Indonesia and the Philippines which have found it difficult to mobilize public support for security regulations to ensure preventive suppression of terrorist elements.

There are important variations in the nature and objectives of terrorist groups in Southeast Asia. First, there are those seeking to punish rival ethnic groups in a situation of ethnic hatred and conflict, as is the case with some radical groups in Indonesia. Other groups challenge governments which they view as corrupt, undemocratic, inefficient and in many cases, subservient to the West. A more common group comprises those seeking independence or autonomy from post-colonial nation states. These are separatist movements which are now branded as terrorists by governments seeking to delegitimise them. Examples include the Moro Islamic Liberation Front (MILF) and the Abu Sayyaf in Southern Philippines. Finally, some terrorist groups are seeking to establish a pan-Islamic state. They are motivated by a religious fervour as well as dislike of the existing regimes. The best example of this is the Jemah Islamiah (JI) group. Despite differences in objectives, radical Islam seems to be an important common element.

This common thread has made it easier for several terrorist groups to link up for strategic and tactical reasons, including the need for solidarity, logistics support, training and protection against security officials. The JI is the most important regional terror network in Southeast Asia. The combination of a pan-regional blueprint, trans-regional training, and support network of its adherents has contributed to the perception of an even larger threat to Southeast Asian security, transcending local or national grievances and fault lines. To further its regional networking, the JI set up the Rabitatul Mujahidin, a regional caucus of leaders of various Southeast Asian terror organizations—comprising JI and representatives from MILF, groups in Aceh, Sulawesi, the Rohingyas of Myanmar as well as an unnamed group from Southern Thailand—so that the “groups could co-operate and share resources for training, procurement of arms, financial assistance and terrorist operations.”

According to a Singapore White Paper on the terrorist network, JI “is the group which enjoys the closest relationship with the Al-Qaeda organization in the region.” JI recruits trained with the Al-Qaeda in Afghanistan from the 1990s, and it was Al-Qaeda which supported Singapore members of the JI planning attacks against US targets in Singapore. It was at the home of a senior Al-Qaeda leader, Mohamed Atef, in Afghanistan that the tapes of JI plans for attacking targets in Singapore were found, leading to the eventual arrest of the network members in Singapore.

Terrorism in Southeast Asian is thus neither exclusively global nor exclusively local. It is both. It breeds from local causes, but draws sustenance from the outside. Issues like the Palestine question and resentment against the global dominance of the US give legitimacy to terrorist causes. Although many terrorist groups have religious roots, their motivations are ultimately political, the chief aim being to seize power in their
respective states or in the region. Ultimately therefore, the challenge of terrorism in Southeast Asia is both a challenge to regime security as well as the nation-state system comprising post-colonial boundaries.

THE US RE-ENGAGEMENT IN SOUTHEAST ASIA
In Southeast Asia, the post-Cold War era began with plenty of uncertainty about the US military presence in the region, which many regional governments have long regarded as a crucial stabilizing factor. By the late-1990s, this concern had been substantially alleviated, thanks to repeated US assurances to the effect, and the “revitalization” of the US-Japan alliance under the Nye Initiative. However, Southeast Asia remained marginal in US strategic priorities, which continued to focus on Europe, the Middle East and Northeast Asia.

In the post-post Cold War era that emerged from the ashes of the World Trade Centre, Southeast Asia’s place in US strategic policy has changed dramatically. September 11 prompted a rethink of the relative strategic importance of regional theatres for US grand strategy. Southeast Asian governments and elite circles responded to the September 11 attacks on the US with considerable empathy. But at the popular level, there was a general understanding that the US support for Israel is a “root cause” of the terrorist menace. In the Muslim majority countries such as Malaysia and Indonesia, there was especially strong popular resentment against the US for what was seen as it arrogant and unjust treatment of the Palestinian people.

While the US response to the threat of terrorism affects the region as a whole, its most visible impact is felt in the maritime domain of Southeast Asia, where the dangers seem most apparent. This domain comprises Malaysia, the Philippines, Singapore and Indonesia. Among ASEAN countries, Singapore is most clear in appreciating the US response to the threat of transnational terrorism in Southeast Asia as a catalyst for a more favourable regional balance of power. This accords with Singapore’s traditional preference for US military predominance in the region as the regional balancer. Singapore has maintained significant military links with the US, including as a major logistics hub for US naval forces operating in the region.

For the Philippines, increased American presence and strategic links with the US not only helps its resource-starved military to gain access to vital US equipment, but it also mitigates Manila’s immediate and long-term concerns about the rise of Chinese power. A new logistics agreement, joint training operations and the conferment of the status of non-NATO ally are strategic assets to Manila in countering future Chinese encroachments in disputed South China Sea territories.

For Malaysia, the war on terror has presented an opportunity to gain US recognition for its role in regional affairs. US-Malaysian ties dipped to historic lows in the late 1990s, with Mahathir’s regular criticisms of US strategic hegemonism and US-led globalisation. Following September 11, however, US-Malaysian ties have improved considerably. Malaysia has sought and won American sympathy and support. Kuala Lumpur has earned American praise as the model of a progressive and moderate Muslim nation and signed a bilateral agreement on information sharing, among other forms of cooperation against terrorism.

Domestic politics was an important factor in shaping Indonesia’s response to the US strategy. As the world’s largest Muslim nation, Jakarta is an attractive ally for the US in its eagerness to prevent the perception of its war against terror as a war against Islam. However, domestic opposition in Indonesia mitigates decisive action against suspected Al-Qaeda linked terrorists in Indonesia. Even in the wake of the horrific Bali and Jakarta bomb attacks, Jakarta continues to face domestic pressure as witnessed in the trial of Abu Bakar Bashir.

Given the wide differences in domestic political circumstances and strategic perceptions, there can be
no single Southeast Asian perception of, and response to, the US “re-engagement” in the region. And in most cases, even the supposed economic and security benefits of siding with the US have important domestic political downsides. An upsurge of popular disapproval for US action in Iraq and the criticism of the doctrine of pre-emption are signs that public and elite opinion in much of Southeast Asia continues to hold the US support for Israel as the “root cause” of terrorism.

Against this domestic backdrop, support for the US-led war on terror is a double-edged sword. While it allows countries to gain access to US military and economic aid to conduct their own war on terror, it is also risky and costly on the domestic front, where the US role is viewed with considerable misgivings. Southeast Asian governments have to maintain a delicate balance in supporting the US while maintaining domestic cohesion. In a multi-ethnic milieu, Southeast Asian governments risk domestic friction and backlash unless they maintain a careful distance from the excesses of US unilateralism and its pro-Israeli stance. The actions of the US in re-engaging the region remain paramount to Southeast Asian security after September 11. The actions among other major powers in the wider Asia Pacific region are also compelling in any consideration of security in Southeast Asia.

THE WIDER ASIAN CONTEXT

Interactions among important powers in the wider context are anchored by Sino-US relations. Before September 11, Chinese attitudes toward the US were marked by suspicion due to the escalation of hostility following the April 2002 collision between an American EP-3 reconnaissance plane and a Chinese jet fighter. This has changed somewhat since September 11, moving toward cooperation in the US war on terrorism. The cooperation is largely driven by Chinese calculation that China can benefit from the fight against terror by diverting international attention from the “China threat”. Related issues and legitimizing China’s own fight against the Uighur “separatists” in western China. An underlying caveat is the Chinese concern that the US war against terror may be an excuse for completing the containment-based “encirclement” of China, thus undermining Chinese regional influence.

India is seen as having gained from post-September 11 geopolitical realignments. For the first time, India enjoys close relations with both the US and Russia. India and the US are engaged in patrolling the Straits of Malacca to prevent attacks on shipping. Terrorism has helped India to focus attention on the link between radical Islamic terrorist groups and the Kashmir separatists. New Delhi has moved to develop closer counter-terrorism cooperation with ASEAN countries.

Another important ingredient in the Asia Pacific security landscape is the American strategic doctrine of “pre-emptive” strikes enunciated one year after September 11. It stipulates that the US will use force, preemptively if necessary, to deal with regimes which pose a threat to US strategic interests, especially by sponsoring terrorism or acquiring weapons of mass destruction. In reality, the Bush Doctrine is expansive (as well as expensive) and all-encompassing. The main Asian objection is that the Bush Doctrine circumvents diplomacy and functions as a blank cheque to strike any regime that acquires weapons of mass destruction or on some other pretext.

However, renewed American strategic engagement in Southeast Asia to counter terrorism would be viewed by many regional governments, if not their peoples generally, as a positive force for regional stability. American hegemony has been strengthened so much so that it now acts as a significant check on regional conflicts. For example, by consolidating its influence over both India and Pakistan, America has acquired an unprecedented ability to restrain their rivalry, one of the most dangerous flashpoints in Asia and the world.
Elsewhere, the security outlook for Asia has become more complicated with the escalation of the North Korean crisis. How the US handles this will affect its strategic posture in Asia Pacific. The recent wave of anti-Americanism in South Korea, ostensibly fuelled by the acquittal of two American soldiers blamed for the death of two Korean schoolgirls, and implicitly backed by vested political interests in Seoul, makes it difficult for Seoul to support a hard-line US posture against North Korea. This in turn could fuel anti-South Korea sentiments in the US Congress. All this could override the strategic rationale for the current level of ground troop deployments in Korea. The US may thus seek to compensate by increasing its long-range air and naval deployments in Asia Pacific. This would have implications for US allies in the region that offer facilities for US naval and air forces, including Singapore. Ultimately, the Korean crisis could affect the US military presence in Asia, which many Southeast Asian policy-makers see as a vital element of regional order. Asian critics see a double standard in US policy. In comparison to Iraq, North Korea’s nuclear program is more advanced and poses a more immediate threat to its neighbours. Since the invasion of Iraq and the toppling of Saddam Hussein’s regime was premised on the possession of weapons of mass destruction, critics of the Bush Doctrine may ask, should not the same logic apply to North Korea? The contrasting US approach to Iraq and North Korea—force against Baghdad and dialogue with Pyongyang—further undermines the legitimacy of the US military strike on Iraq in much of Southeast Asia.

REGIONAL COOPERATION AGAINST TERRORISM
The re-engagement policy pursued by the US and the patterns of interaction and tension among regional actors have prompted Southeast Asia to respond by attempting to take concerted steps in the war against terror. The agenda of regional cooperation in Southeast Asia since September 11 reflects the growing recognition of this challenge. However, distracted by intra-mural bickering, the burdens of membership expansion and the lingering effects of the Asian economic crisis, Southeast Asian regional institutions have not been able to offer a strong response to the emerging transnational challenge. ASEAN’s response has been largely in the form of statements and declarations, the initial one being issued by its foreign ministers on November 5, 2001, called a Declaration on Joint Action to Counter Terrorism, which condemned “acts of terrorism in all its forms and manifestations, committed wherever, whenever and by whomever,” as a “profound threat to international peace and security.”

In Southeast Asia, bilateral or sub-regional (sub-ASEAN) frameworks are preferred over purely multilateral ones. At the bilateral and sub regional level, Southeast Asian states are building new networks of security cooperation. The terrorist threat in Malaysia, Singapore, Indonesia and the Philippines produced the first multinational gathering of their defence intelligence chiefs. One of the more important initiatives undertaken in the region after September 11 was the signing of a trilateral agreement between Malaysia, Indonesia and the Philippines. The agreement provides for: anti-terrorism exercises as well as combined operations to hunt suspected terrorists, and the setting up of hotlines and sharing of airline passenger lists, aimed at speeding intelligence exchanges between the three neighbours.

The ASEAN Regional Forum (ARF), encouraged by the US, has adopted a series of measures aimed at cutting off the funds for terrorists. Its July 30, 2002 declaration called for freezing terrorist assets; international cooperation on the exchange of information and outreach; compliance and reporting. Most of these steps, however, are commitments to comply with measures proposed and adopted earlier by the United Nations, rather than entirely new regional initiatives conceived by the ARF. And given the complexity and global dimensions of the terrorist financial reach, regional action can only yield a limited result in addressing the problem. The ARF has formed an
Inter-Sessional Group on Counter-Terrorism and Transnational Crime (co-chaired by Malaysia and US). APEC’s own reaction has also been largely at the declaratory level. President George Bush’s attendance at the APEC Summit in Shanghai in 2001 served to underscore the importance Washington attaches to building a regional coalition against terror. But beyond this symbolic move, the focus of America’s war on terror continues to be Southern Asia and the Middle East.

Anti-terrorism cooperation undertaken by Asian regional organizations focuses on intelligence and information exchanges, and regional capacity building rather than joint operational measures. Steps include cooperation among law agencies; exchange of information and intelligence on terrorist organizations, their movement and funding; regional capacity building programs for investigating, detecting, monitoring and reporting of terrorist acts. The work plan adopted by the Senior Officials of the ASEAN Ministers’ Meeting for Transnational Crime (AMMTC) in Kuala Lumpur in May 2002 envisaged establishment of national focal points for information exchange and sharing of technical expertise and best practices through training workshops.

Regional cooperation against terrorism faces a number of obstacles. National priorities remain different, if not divergent. Domestic politics and sensitivities prevent closer cooperation on issues such as extradition of terrorists. Inter-state disputes have undermined the political climate for cooperation. Many regional countries lack the capacity that could make regional cooperation meaningful. As a result, there is considerable dependence on outside powers for counter-terrorism efforts. Regional groups have avoided exclusively “Asian” responses.

The impact of terrorism on regionalism in Southeast Asia is double-edged. It emerges as a common challenge that could galvanize regional cooperation—it could lead to new areas of cooperation, including information exchanges, and measures to deal with money laundering and illegal migration. But such cooperation faces a number of constraints. The perception of the severity of the terrorist challenge varies even within ASEAN, making it difficult to devise common responses. Indonesia has been the key example of this, when Jakarta repeatedly refused to crack down on elements identified by its neighbours as leaders of Al-Qaeda linked terrorist organizations. The Bali bombings of October 12, 2002 has since prompted Jakarta to toughen its stance on terrorism, including the passage of internal security measures, but the government risks domestic opposition to such measures, which will still constrain its response to terrorism.

Some of the stronger measures against terrorism have been undertaken outside the framework of regional institutions. This includes the trilateral pact between the Philippines, Indonesia and Malaysia. Anti-terror cooperation with the US is also evident in the form of a US-ASEAN agreement providing for intelligence sharing. Bilateral agreements have once again proved to be more useful than multilateral means, with the US-Philippines joint training and operations in southern Philippines and the US-Malaysia accord against terrorism constituting important examples. Domestic political considerations prevent some national governments from fully supporting the war on terror launched by the US and its allies, who are members of larger Asia Pacific regional groupings such as ARF and APEC. This may make regional cooperation somewhat more attractive, but this is countered by differing perceptions, limited resources and divergent political imperatives of the members of regional institutions. Finally, the increased American strategic attention to Southeast Asia in the wake of September 11 constitutes a perceptual challenge to the credibility of regional institutions whose professed objective is to offer “regional solutions to regional problems.”
THE FUTURE OF THE ASIAN SECURITY ORDER

Among the more fundamental shifts produced by September 11 2001 attacks on the United States and the latter’s global war on terror is the uncertain fate of the Asian security order which had long relied on the US military presence and strategic engagement.

During the Cold War, the Asian balance of power was essentially a subset of the global balance of terror between the two superpowers, rather than reflective of a rough parity in their conventional military strength. It masked a fundamental asymmetry of power between the US and its rivals, such as the Soviet Union and China. Under the façade of academic claims about the existence of a balance of power, the US actually maintained an unprecedented and largely unchallenged hegemony on the ground. While this global balance of terror did prevent major war between the US and the Soviet Union, it was also a remarkably limited instrument. It did not prevent large-scale domestic instability, such as Indonesia in 1965 and Cambodia during the Khmer Rouge regime. Nor did it necessarily ensure stability in intra-regional relationships, such as that between China and its neighbours, or in sub-regional relationships, such as between Vietnam and ASEAN. Moreover, it created a questionable sense of complacency that reduced the urgency of building a more comprehensive and durable basis for regional order.

Today, that fundamental asymmetry of power between the US and regional actors has become substantially stronger. But so have the challenges to the logic behind balance of power as the most significant force underling Asian regional order. And it threatens to undermine several axioms about power politics cherished by the academic and policy community in Asia.

Before September 11, the conventional strategic wisdom in and about Asia portrayed the rise of China (albeit vastly exaggerated by China’s critics and admirers alike) as the principal challenge to regional security. September 11 demonstrated that the threat to peace in Asia today comes not from a rival rising power, as once feared by many regional governments, but from an invisible and insidious network of terror that feeds upon the region’s cultural fault lines, weak governance structures, economic disparities and lack of democratic space. Against this, the US needs to develop a strategy that addresses itself to challenges other than correcting conflicts, geopolitical fault lines and functions primarily through military alliances directed against external military threats to sovereignty and territorial integrity.

The strategic role of the US in Asia is shaped as much by rising rivals as by its declining international legitimacy. In Asia as the relative hard power of the US reaches its zenith, it has shown a marked aversion to the exercise of soft power, especially multilateralism, with a consequent erosion of its legitimacy as a world leader. The conduct of the war of terror largely through military means without regard for its root causes such as economic disparities (as opposed to poverty) and political grievances of the people, and injustices suffered by the Palestinians has further contributed to the erosion of the legitimacy of American power. Hence, the idea of “benign hegemony” that underpinned regional security in Asia may be coming to grief.

Today, America’s Asian alliances are under increasing pressure from its rising hegemony. September 11 could lead to unraveling of old alliances. The war in Afghanistan highlighted the growing gulf in military technology between the US and its European and Asian allies. While the war in Iraq aggravated the political gulf between the US and its European allies, with the exception of Britain, America’s Asian allies such as Japan and South Korea stuck by Washington. But the growing US technological superiority makes for unequal alliances, making strategic interoperability in Europe as well as East Asia especially difficult.

Western strategic analysts have often stressed the superiority of Europe’s multilateral alliance structure under NATO over East Asia’s hubs-and-spoke system.
But under conditions of extreme hegemony as prevail today, and in the absence of a clearly visible and identifiable threat, Asia’s bilateral alliance structure may prove easier to maintain and manipulate than Europe’s multilateral structure, as the US is finding out in relation to NATO. But the efficacy of alliances is undermined by growing power asymmetries. As the US military grows more technologically sophisticated, inter-operability in Asia will be undermined as America’s Asian allies increasingly fall behind the leader.

The growing anti-Americanism in Southeast and South Asia at the mass politics level (as demonstrated by large peace rallies in Seoul, Kuala Lumpur and other regional capitals against the US attack on Iraq) also increases the political costs for regimes that have thrown their lot behind the US in the war against terror. This comes at a time when many regimes in Asia face a democratic deficit, aggravated by the regional economic downturn, and that are now more liable to be portrayed by their people as being unduly subservient to the US.

RELEVANCE OF REGIONAL DEVELOPMENTS TO CANADA AND POLICY

Recommendations

While the post-September 11 milieu has seen a dramatic increase in American hard power, there has been a noticeable erosion of American soft power. Many US actions in the world stage such as Iraq, and rejection of the Kyoto Protocol and the international war crimes tribunal have led to a perception that US foreign policy lacks “legitimacy.” Southeast Asian countries are no longer worried about US retreat, but about its assertive primacy and unilateralism. These developments have sharply altered the Asian balance of power system in the direction of US dominance. The conduct of the war on terror largely through military means, without regard for “root causes” such as economic disparities and long-standing political grievances, has further eroded the legitimacy of American power. Hence the idea of “benign hegemony” that has underpinned regional security in Asia may be coming to grief. Taking a lesson from the regional reaction to US policy, Canadian policy toward Southeast Asia should not be couched in the strategic language of the war on terrorism. Instead, more attention can be paid to economic development and political inequalities associated with terrorist activity.

Engaging Asian countries on security issues should be a long-term priority for Canada. Canadian initiatives can chart considerable progress in defusing tensions, such as weapons of mass destruction and dual-use technologies in South Asia and the Korean peninsula, in order to make security in the Asia Pacific less precarious. Efforts to engage Southeast Asia in issues that the region views as a priority will also be appreciated. Infectious diseases, illegal migration, piracy and the resolution of ethnic conflicts in Southeast Asia can find their way to Canadian policy agendas, and make a difference in Canadian security relations with Southeast Asia.

Regional multilateral groups such as ASEAN have contributed to the construction and development of a balance of power system by careful adjustments in their strategic policy and by seeking to engage bigger powers such as China and the US into a shared normative framework. Yet Asia’s multilateral institutions are being ignored by the US, thereby depriving the region of an opportunity to construct and maintain a wider basis for regional security relations to address and compensate for the deficiencies of a power-balancing system. Despite the current US focus on counter-terrorism, Canada should capitalize on regional multilateral groupings and persist with longer-term initiatives such as the “Responsibility to Protect.” Finally, the concept of human security, an idea with Canadian lineage, is increasingly being held in high regard in Asian policy circles. Foreign policy pundits can profit from shared conceptions of security to make an impact on the canvas of Southeast Asian security.
## SELECTED ANTI-TERRORISM AGREEMENTS IN SOUTHEAST ASIA:

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| APEC Economic Leaders’ Statement on Counter-terrorism | Leaders deem it imperative to strengthen international cooperation at all levels in combating terrorism in a comprehensive manner and affirm that UN should play a major role in this regard, especially taking into account the importance of all relevant UN resolutions. | ■ Cooperation in enhancing security at customs, limiting the fallout from terrorist attacks.  
■ Enhance ports, aircraft and aircraft security.  
■ Strengthening APEC activities in the area of critical sector protection, including telecommunications, transportation, health and energy. | — 11 — |
| 2001 ASEAN Declaration on Joint Action to Counter Terrorism | View acts of terrorism in all its forms and manifestations, committed wherever, whenever and by whomsoever, as a profound threat to international peace and security which require concerted action to protect and defend all peoples and the peace and security of the world. | ■ Acknowledge link between poverty and terrorism.  
■ Improve national mechanism to fight terrorism.  
■ Ratification of all anti-terrorist conventions.  
■ More cooperation among law agencies.  
■ Better exchange of information. | Symbolic gesture as the question of implementation was not discussed. |
| Trilateral Anti-terrorism Pact | “We formalised formal contacts in one umbrella agreement to cover quite a number of areas of cooperation not only in the area of terrorism proper, but also expanding it into piracy as well as money laundering.” | ■ Anti-terrorism exercises as well as combined operations to hunt suspected terrorists, the setting up of hotlines and sharing of airline passenger lists.  
■ Aimed at speeding intelligence exchanges between Malaysia, Indonesia and Thailand. | Pact is open to other states. |
| Work Program on Terrorism to implement the ASEAN Plan of Action to Combat Transnational Crime | To share information  
■ Disseminate information on the relevant laws, bilateral, international treaties on terrorism.  
■ Enhance cooperation between ASEAN and specialised organizations (like ASEANPOL).  
■ Ratify the anti-terrorism conventions.  
■ To criminalise terrorism. | Adopted at an ASEAN Ministerial Meeting on Transnational Crime (AMMTC) meeting. |
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<td>Joint communique of the Special ASEAN Ministerial Meeting on Terrorism 20 – 21 May, 2002</td>
<td>“Unequivocally condemn acts of terrorism in all its forms and manifestations and underscore the urgency for a cohesive and united approach to effectively combat terrorism.”</td>
<td>Meeting for ministers of the interior and home affairs. Aims at concrete measures with a series of projects by member states. Training by Malaysia on intelligence, by Singapore on bomb detection, by Indonesia with a workshop on terrorism.</td>
<td></td>
</tr>
<tr>
<td>ASEAN-United States of America Joint Declaration for Cooperation to Combat International Terrorism 1 August 2002</td>
<td>“A framework for cooperation to prevent, disrupt and combat international terrorism through the exchange and flow of information, intelligence and capacity-building.”</td>
<td>Provides a Framework to cooperate in disrupting terrorism. Share information/intelligence. Joint operations. Block terrorist access to funds. Regular meetings to monitor compliance at the ministerial level.</td>
<td>No reference to US deployments. (objected by Indonesia and Vietnam who got the agreement to recognize “the principles of sovereign equality, territorial integrity and non-intervention in the domestic affairs of other states,” the guiding principles of ASEAN diplomacy added.) It is non-binding.</td>
</tr>
</tbody>
</table>
## SELECTED ANTI-TERRORISM AGREEMENTS IN SOUTHEAST ASIA:

<table>
<thead>
<tr>
<th>Parties</th>
<th>Measures/text.</th>
<th>Description</th>
<th>Comments</th>
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</thead>
<tbody>
<tr>
<td>US-Singapore 31 July, 2002</td>
<td>US bound cargo ships would be inspected before shipping.</td>
<td>■ Includes military exercises Cooperation Afloat Readiness and Training (CARAT) exercises in the South China Sea.</td>
<td>Singapore and US on Tuesday, July 2, launched their most significant military exercises since the September 11 terrorist attacks, with the participation for the first time of aircraft from the US Marines.</td>
</tr>
</tbody>
</table>
| Australia-Indonesia MoU on Counter Terrorism 7 Feb 2002 | Provides a framework for an intelligence-sharing cooperation between the law enforcing agencies of the two nations and possible joint operations between their military, intelligence, police, customs, and immigration officials. | ■ MoU includes the provision for the training and education of Indonesian officials.  
■ Australia offer $10 million aid to Indonesia. | Bilateral cooperation would only extend to combating international terrorism, leaving the independence movements in Aceh and West Papua outside the scope.  
After Bali attacks, there is to be a joint Australian-Indonesian investigation of the Bali bombing and Australian training of Indonesian troops. |
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Paper Author: Amitav Acharya,
Nanyang Technological University,
Singapore

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THE AUTHOR

Amitav Acharya is Deputy Director and Head of Research at the Institute of Defence and Strategic Studies, Nanyang Technological University, Singapore, where he also holds a professorship. Prior to this appointment, he was Professor of Political Science at York University, Toronto. He has held fellowships at the Institute of Southeast Asian Studies, Singapore (1987 – 89), Asia Center at Harvard (2000 – 1), and the Center for Business and Government of the Kennedy School at Harvard University (2000 – 1). He was a faculty member at the National University of Singapore (1990-92) and a visiting faculty at Sydney University (1998).