

An Agenda for the East Asia Summit



30 Recommendations for Regional
Cooperation in East Asia





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Regional Cooperation
in East Asia**

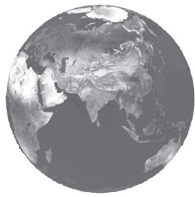
See Seng Tan and Ralf Emmers
(Editors)

Institute of Defence and Strategic Studies
Singapore

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CONTRIBUTORS

Mely Caballero-Anthony
Ralf Emmers
Joshua Ho
Hiro Katsumata
Adrian Kuah
Bernard Loo
Helen E.S. Nesadurai
Kumar Ramakrishna
Catherine Zara Raymond
See Seng Tan



EXECUTIVE SUMMARY

The aim of this report is to propose a set of 30 policy recommendations which its authors regard as germane to the East Asia Summit's evolution from an nascent regional institution for addressing broad concerns of an intramural nature, to, it is hoped, a regional mechanism not only for generalized confidence building, but one armed with a thematic and problem-oriented agenda and empowered by its trustees to engage with and functionally manage the serious challenges confronting the region. Importantly, we do not see the Summit as a replacement for the APEC, ARF, ASEAN + 3, and the host of functional mechanisms provided for under these frameworks. Rather, the Summit complements these arrangements. In that regard, the Summit could be viewed as a venue for East Asian leaders to advocate and encourage progress on various issues which could be better pursued within those existing frameworks and at other levels.

The Summit complements, not replaces, existing regional arrangements such as APEC, ARF and ASEAN+3.

BUILDING CONFIDENCE, ESTABLISHING COMFORT

The EAS is arguably a *sui generis* institution in that it has no established precedents to follow. It is therefore imperative, especially at the initial stage of summitry, for the EAS to focus attention and energy in establishing a level of comfort among all its members. The first part of our report, entitled "Confidence and Institution Building", therefore recommends that EAS participants treat the upcoming inaugural session in December 2005 as essentially a confidence-building exercise. Indeed, not unlike the other multilateral institutions in the region, the EAS is and will remain indefinitely, in this regard, a confidence-building measure (CBM) in itself.

While the ASEAN members have had almost four decades of institutional experience in regional reconciliation, such privilege has not been extended to the Northeast Asian members of the EAS, whose relations with each other have largely been confined to bilateral ties and the odd informal multilateral forum like the Six Party Talks. Insofar as the EAS constitutes yet another wider regional setting in which to extend ASEAN's model of regional security, the Summit will serve as an excellent venue for the conduct of ASEAN-styled "fireside chats" on broad strategic issues that concern the region. Likewise, despite opportunities for increasing interactions in other regional settings, countries such as Australia and India also require time to establish confidence with their counterparts from Southeast and Northeast Asia. After all, the EAS is distinct from the ASEAN + 3; it should not be regarded as an "ASEAN + 3 + 3" arrangement, but rather as a new grouping of 16 members.

Such a process requires the establishment of procedural conventions, i.e., institutional best practices. A series of procedural proposals has also been included as part of our policy recommendations. However, these proposals will likely be better raised at future summits when the apposite level of comfort has been achieved.

The building of confidence and comfort among members is imperative at the initial stage of summitry.

TOWARDS FUNCTIONAL COOPERATION

Nevertheless, it is equally imperative that the EAS, despite its utility as an extended CBM, moves forward in due course to *substantive* collaboration on the myriad complex issues and challenges that affect the region. Although it was agreed at the Vientiane AMM that no “architectural” implications will be forthcoming at this December’s inaugural, the possibility that further institutionalization, if not at the inaugural meeting then certainly at future summits, should not be ruled out. In this regard, assuming that appropriate comfort and confidence levels have been established, we recommend, in the second part entitled “Functional Cooperation”, that EAS members adopt a thematic and problem-oriented approach to regional challenges by participating in extensive functional or technical cooperation on various issues, which we have divided into two time-sensitive (i.e., short-immediate term and medium-long term) “baskets” according to consensus and capabilities. We see confidence building as an ongoing objective of the Summit, upon which different layers of functional cooperation can be added at various stages.

Functional cooperation can be added at various stages to confidence building.

Issues for cooperation divided into two time-sensitive baskets.

By “functional cooperation” we are not implying that regional collaboration will proceed (*a la* functionalism logic) in an automatic or deterministic manner with minimal political interference. More often than not, the politics of national interests tend to supplant the best laid plans and intentions of the regional integrationists. Mindful of the many reasons that could and likely would stand in the way of meaningful cooperation at the regional level (e.g. lack of political will and/or institutional capacity of the state, non-interference and state sovereignty concerns), our recommendations ought to be seen as proposals which, on one hand, could be taken up as and when the Summit is ready to proceed beyond mere confidence building. We want to stress that our proposals for functional cooperation do not imply that the EAS should therefore replace existing regional institutions, but that it should serve as a complementary institution vis-à-vis those arrangements. On the other hand, failure to make the Summit relevant in conjunction with other regional mechanisms may well result in dire region-wide consequences should East Asia experience anew the sort of shocks which jolted it of late, tragically without the requisite institutional “shock absorbers” to cushion their destructive impact.



30 RECOMMENDATIONS FOR THE EAST ASIA SUMMIT

CONFIDENCE AND INSTITUTION BUILDING

CONFIDENCE BUILDING

1. Establish level of comfort among EAS members
2. Emphasize broad strategic themes and members' security perspectives
3. Encourage frank and constructive exchange of views without ignoring contentious issues

INSTITUTIONAL BEST PRACTICES

4. Ensure flexibility in selection process for the EAS Chair
5. Establish a Secretariat for the EAS
6. Introduce Senior Official Meetings and Inter-sessional Support Groups and Meetings to support the EAS meetings
7. Strengthen links between the EAS and Track 2 and Track 3 forums

FUNCTIONAL COOPERATION

BASKET ONE (SHORT/IMMEDIATE-TERM ISSUES)

TERRORISM

8. Use existing counter-terror diplomatic frameworks and resolutions at the U.N. and regional levels to implement bilateral and multilateral operational strategies that address immediate terrorist threat
9. Conduct ideological strategies that de-legitimize militant narratives
10. Conduct functional strategies that alleviate and eradicate structural inadequacies
11. Use existing counter-terror diplomatic frameworks and resolutions at the U.N. and regional levels to pursue bilateral and multilateral CTMP cooperation among EAS member states

PIRACY AND MARITIME SECURITY

12. Establish Joint Cooperation Zones
13. Conduct more accurate assessments of piracy and maritime terrorism problems

14. Provide resources and various supports for littoral states
15. Establish a Technical Experts Group on Maritime Security for the East Asian region

HEALTH SECURITY

16. Develop a regional disease-surveillance mechanism for disease control
17. Strengthen cooperation among health agencies at various levels – local, national, regional and global

BASKET TWO (MEDIUM/LONG-TERM ISSUES)

ECONOMICS

18. Begin informal discussions on bringing to fruition an East Asian Free Trade Area and ensure follow-up deliberations on the obstacles that hinder its realization
19. Discuss the possibility of multilateralizing existing bilateral FTAs in East Asia
20. Issue strong call for the successful completion of the Doha Development Round

ENERGY

21. Use both bilateral and multilateral intergovernmental channels to address energy-related sovereignty disputes peaceably
22. Encourage functional cooperation in technical issue areas involving specialized governmental agencies as well as corporate/private sector actors

HUMAN SECURITY

23. Establish an East Asia Fund for Poverty Eradication
24. Develop regional agreements on disaster management and emergency responses
25. Intensify efforts in providing regional humanitarian assistance

TRANSNATIONAL CRIME

26. Focus on demand side via both curative and especially preventive anti-drug measures
27. Strengthen regional law enforcement and legal cooperation against drug and human trafficking
28. Ratify the United Nation's counter-TNC conventions *vis-à-vis* drug trafficking and usage as well as *vis-à-vis* human trafficking and victim protection

WMD PROLIFERATION

29. More signatories to initiatives against WMD proliferation needed
30. Encourage the obsolescence of WMD



INTRODUCTION

On 14 December 2005, representatives from sixteen nations will gather in Kuala Lumpur, Malaysia, for the inaugural session of the East Asia Summit (EAS). Participants to that first meeting will comprise the ten ASEAN members, China, Japan and South Korea, as well as Australia, New Zealand and India – the last three which are dialogue partners of ASEAN and have either acceded or indicated their willingness to accede to ASEAN’s Treaty of Amity and Cooperation in Southeast Asia. Importantly, the inclusion of the two primary engines of economic growth in Asia – China and India – within the EAS immediately raises the profile of the Summit. For all these reasons and more, the inaugural Summit promises to be an historic gathering indeed.

The inaugural Summit promises to be an historic gathering.

However, the Summit is not just exceptional due to its composition. More important is the unique opportunity afforded its participants, through the EAS framework, to collectively shape the contemporary East Asian region in ways that will best maintain its economic dynamism, enhance regional security and preserve peace and stability among themselves. In recent times East Asia has played host to two major conflicts of the Cold War, the Korean and Vietnam wars. Yet, at no time in its history has the region been confronted, all at once, with the myriad, complex strategic and non-traditional security challenges such as those which confront its inhabitants today. The divided Korean peninsula, a seemingly intractable residue of the Cold War, is today complicated by concerns ranging from Pyongyang’s pursuit of weapons of mass destruction (WMD) and the threat of a humanitarian crisis of the most acute proportions should the North Korean regime implode. In Southeast Asia, the rise of religious militancy and international terrorism cannot be dissociated from, among other things, questions of relative socio-economic deprivation and cultural disenfranchisement. Indeed, the things that have wrought untold misery throughout the region in recent times have less to do with wars than with financial meltdown, flu pandemics and tsunamis.

East Asia is characterized by a mix of old and new dangers.

In this respect, contemporary East Asia is characterized by a curious and potentially combustible mix of old and new dangers which refuse security managers the luxury of planning for, if not fighting, inter-state military conflicts, without ever having to worry at the same time about poverty, disease, development and other like concerns. Those days are clearly long gone. But even the few remaining cold warriors who continually bemoan the loss of the alleged strategic certitude and simplicity of the old days will do well to heed the late Michael Leifer’s caveat that “conservation cannot be achieved by standing still”. According to Leifer, an eminent student of East Asian affairs, regional order in the practical sense “will depend on adequate attention being paid to the commonplace, which requires special attention because

it is commonplace and, therefore, in danger of being taken for granted". If conservation of the regional status quo and commonplace things involves hard work, what more the institutional renovation – that is, when the EAS is ready to move ahead – of a region potentially imperilled by a complex host of challenges.

WHITHER THE SUMMIT

Opinions differ, but many regional observers concur that the origins of this Summit go back to the 1990 proposal for an East Asian Economic Grouping (later Caucus) popularized by former Malaysian Prime Minister, Mahathir Mohamad. The rationale behind the EAEG/EAEC concept was economic, ostensibly devised in response to the apparent post-Cold War gravitation towards the formation of regional trade blocs in Europe and North America. Be that as it may, it remains unclear to most what exactly the *raison d'être* for the upcoming inaugural meeting of the EAS is. That said, some have noted the growing sense within the policy community in the region that such a gathering is nevertheless timely.

ASEAN ministers have affirmed to "keep the EAS open, outward-looking and inclusive with ASEAN being the driving force".

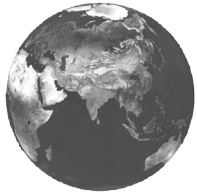
Recent developments offer some clues as to what might be expected of the EAS in its infancy. For more than a decade, multilateral cooperation in Asia – whether in the form of the Asia-Pacific Economic Cooperation forum (APEC), the ASEAN Regional Forum (ARF) or most recently the ASEAN + 3 – has been driven by the Association of Southeast Asian Nations (ASEAN). The Association looks set to assume the leadership of this latest institutional expression of regionalism, one which includes members outside East Asia. The ministers attending the ASEAN Ministerial Meeting (AMM) in Vientiane in July 2005 have affirmed their commitment to "keep the EAS open, outward-looking and inclusive with ASEAN being the driving force". Furthermore, they "welcome" the participation of countries such as China, Japan, Australia and India to the first Summit. Russia, Mongolia and Pakistan have also asked to join the EAS, but no decision will be likely made until the second Summit, whose venue could well be Singapore. The European Union has also requested for observer status to the EAS.

It should be mentioned that ASEAN's assigned leading role is more by default than anything else since the prospect of either China or Japan at the helm of the EAS would in all likelihood be viewed as unacceptable for the foreseeable future. This readily puts to rest, at least for the time being, early concerns regarding which country or coalition of the willing and able other than ASEAN could conceivably have emerged to take the reins of the Summit. That said, with the leadership of the EAS resting primarily with ASEAN, a *fait accompli* of sorts has already been established. In this respect, the modality of the EAS will likely be similar to those of other ASEAN-led institutions. Unsurprisingly, proponents of the Association argue that the ASEAN-led formula has proven to be feasible in Asia, and hence should be applied to the Summit. The Association's critics understandably offer more circumspect

and dismissive views. Without privileging one perspective over the other, we observe that on the one hand, the “ASEAN way” – decision-making by consensus, preference for informality and organizational minimalism (i.e., what a former ASEAN Secretary-General has facetiously called “diplomacy by feel”) – may have worked well for the region in the past.

Need to think out of the ASEAN box.

On the other hand, it is not improbable that the myriad challenges confronting the East Asian region (as outlined below) may entail Summit participants, especially those providing leadership and direction, to go beyond the ASEAN way. In other words, a fair bit of imagination and innovation – “thinking out of the ASEAN box”, so to speak – will be required to keep the EAS moving forward, while maintaining its legitimacy and credibility. Indeed, the rather substantial outcomes obtained at the Vientiane AMM – the idea for an ASEAN Charter, the collective nod to proceed with the EAS inaugural and its proposed ancillary tracks, in particular the parallel “summits” involving the region’s corporate and civil society sectors, etc. – indicate the apparent readiness of the ASEAN ministers and their dialogue partners to go beyond remits originally defined by their respective bureaucrats and officials. To be sure, rampant ministerial activism, if left untutored and uncurbed, invariably runs the risk of endangering regional interests and well being. Be that as it may, it at least demonstrates, if nothing else, that there is no shortage of idealism and innovation in East Asia.



CONFIDENCE AND INSTITUTION BUILDING

CONFIDENCE BUILDING

We propose the following recommendations for the inaugural session of the Summit. One other possibility which EAS participants may wish to explore, for consideration for the next session, is joint identification of the areas of functional cooperation and the adoption of a thematic and problem-oriented agenda. That said, the most pressing singular concern for the first EAS meeting, and a continuing concern for subsequent meetings, remains confidence building.

RECOMMENDATIONS

1 ESTABLISH LEVEL OF COMFORT AMONG EAS MEMBERS

Confidence building is principally about establishing a certain level of comfort among the participants to an institutional body, such that they will not feel threatened by one another. Despite improvement to regional understanding through institutions like APEC, ARF and ASEAN + 3, recent tensions in bilateral and multilateral relations involving China, Japan and South Korea over a host of issues has raised the level of disquiet and distrust among the three Northeast Asian states. The entry of Australia and India, two middle powers from outside East Asia but with clear interests in the region, into the Summit also requires the building of confidence with regional states. Some pundits have wondered about ASEAN's ability to lead the EAS in the light of its recent worry over whether Myanmar would insist on taking its turn at helming the Association. All this calls for a period of confidence building, without which no progress can be possible.

2 EMPHASIZE BROAD STRATEGIC THEMES AND MEMBERS' SECURITY PERSPECTIVES

As noted above, the conduct of "fireside chats" on broad strategic issues affecting the region, and for which ASEAN gatherings are famous, can and should be extended to the EAS setting. As a useful entry point, EAS members can focus on identifying and discussing broad strategic themes and forces that colour the East Asian region, such as international terrorism, WMD proliferation, maritime security and so on. Although our report has proposed collecting these concerns under the strategic issues basket with the aim to treat these as issues which lend themselves to functional cooperation among EAS members, it is nevertheless useful to table these concerns to be discussed more generally at the heads-of-government or ministerial level. In this regard, the current secretary-general of ASEAN, Ong Keng Yong, noted at a recent public seminar that regional concerns most likely to be tabled for discussion at the EAS inaugural include broad strategic issues, globalization and transnational cooperation. Secondly, the in-

augural session can also serve as a forum conducive for the broad presentation of the security perspectives – in some cases highly divergent – of respective EAS members. This can facilitate better understanding of what each EAS member nation views are its most fundamental security concerns and how it seeks to enhance its national security as well as contribute to the peace and stability of the region.

3 ENCOURAGE FRANK AND CONSTRUCTIVE EXCHANGE OF VIEWS WITHOUT IGNORING CONTENTIOUS ISSUES

Avoiding discussion of contentious intramural issues and sweeping conflicts “under the carpet” has been a long-standing practice in ASEAN-led regional institutions. Indeed, one of the glaring failures of the ARF has been the inability or reluctance of its members to progress beyond confidence building to preventive diplomacy, much less conflict resolution – the evolutionary stages envisioned in the 1995 Concept Paper of the forum. Rather, forum members have been content to emulate ASEAN’s tradition of seeking consensus and compromise. As for the Summit, if it does not wish a premature impotence and irrelevance upon itself, there is a need for EAS participants to engage in the frank and constructive exchange of views without either ignoring or palliating contentious intramural concerns. While observing the norm of politeness, EAS members, as mentioned above, should express their concerns and differences so that positions may be clarified and a better understanding of divergent perspectives could arise. They should be prepared to accept divergent analyses and agree to disagree where there are fundamental differences of views. The process of engagement and of attempting to understand divergent views is constructive.

INSTITUTIONAL BEST PRACTICES

The fundamental procedural challenge facing the Summit will likely be: how to go beyond the ASEAN way where it matters most and with what, whilst at the same time preserving existing conventions and practices that have served the region well and will likely continue to do so. In view of this, and given the *fait accompli* of ASEAN leadership with which the EAS has been presented, we propose the following recommendations to the Summit participants for their consideration. Yet, it bears repeating that these proposals will likely be taken up at a later stage of summitry.

RECOMMENDATIONS

4 ENSURE FLEXIBILITY IN SELECTION PROCESS FOR THE CHAIR

The annual chairmanship of ASEAN-led institutions, such as the ARF, tends to be a complicated affair. The question of the chairmanship of the EAS could well end up the same way, especially if the existing ARF practice is adopted wholesale by the Summit. Assuming the position of EAS Chair has to be filled by an ASEAN member nation, then one way to introduce flexibility to the EAS process is to allow for a co-Chair system for the Summit, wherein a non-ASEAN country will serve as the other co-Chair. As a future

option, the prospect of sole chairmanship of the EAS to be assumed either by India, Australia or New Zealand, the three Summit participants from outside the East Asian region, may be given consideration. That said, should any of these three extra-regional states come to chair the EAS, it is unlikely, even illogical, for Summit meetings to be held in those nations for the simple reason that the Summit is principally focused on the East Asian region. But the effect of granting them the privilege of chairmanship would be to lock in the participation of rising regional and middle powers (particularly India and Australia) as well as give them a greater stake in the EAS process, while ensuring that no single power or condominium of powers dominates the process to the detriment of the wider regional interest.

5 ESTABLISH A SECRETARIAT

The EAS participants may decide to establish a Secretariat in the near future. When they do so, they are likely to choose one of the Southeast Asian capitals as a venue. One approach could be to co-locate it with the APEC Secretariat (or, for that matter, the ASEAN + 3 Secretariat, should one be established). If the EAS does indeed take up the myriad areas of functional cooperation identified and discussed in this report, then such co-location would encourage a symbiotic relationship between these institutions favourable for economic and security cooperation in the region. Understandably, member countries would prefer the Summit be kept loose and informal at this early stage of inception. As such, incremental steps that could conceivably eventuate in a Secretariat may be adopted at this point. Much like the ARF participants' decision to set up an ARF unit in the ASEAN Secretariat in Jakarta, Summit members may, for the immediate future, consider establishing an EAS unit in the ASEAN Secretariat. The logical next step to this would be to co-locate the EAS Secretariat with the ASEAN Secretariat. Alternatively, in lieu of an actual Secretariat, the EAS can construct a "virtual" Secretariat in cyberspace that would, for all intents and purposes, serve the same function until member nations agree to establish a real one. This virtual Secretariat can either be based in Jakarta or in any member country that wishes to host it.

6 INTRODUCE SENIOR OFFICIAL MEETINGS AND INTER-SESSIONAL SUPPORT GROUPS AND MEETINGS TO SUPPORT THE SUMMIT MEETINGS

It was agreed in the ASEAN meetings in Vientiane in July 2005 that EAS meetings would be held every three years. Modelling after the institutional structure of the ARF, EAS participants may wish to consider establishing the following arrangements:

- a. Senior Officials Meetings (SOMs) aimed at supporting cooperative activities at the summit level can be held on a yearly basis, or even on a bi-annual basis. The purpose of these SOMs is to coordinate and make preparations for summit meetings.
- b. Inter-sessional Support Groups (ISGs) on regional cooperation on the various strategic and functional issues discussed above should also be instituted. ISGs may hold their meetings on a regular basis, probably a few times a year. The result of ISG activities should be reported to the SOMs.

- c. Inter-sessional Meetings (ISMs) on more specific topics pertaining to East Asian cooperation can also be held either on a regular or need-to basis. The results of ISMs should be reported to the SOMs. ISGs and ISMs may be co-chaired by an ASEAN member and a non-ASEAN country.

7

STRENGTHEN LINKS BETWEEN THE EAS AND TRACK 2 AND TRACK 3 FORUMS

Links with second-track forums and networks should be strengthened. Track 2 processes provide a mechanism for developing ideas that can be utilized to promote regional security cooperation. Regional epistemic communities such as the ASEAN Institute of Strategic and International Studies (ASEAN-ISIS), the Council for Security Cooperation in the Asia-Pacific (CSCAP), the Pacific Economic Cooperation Council (PECC) and, most recent of these, the Network of East Asian Think-tanks (NEAT) have played and will likely continue to play an important ideational role in support of inter-governmental regional institutions. So too, we propose, the potential for cooperation with the ASEAN International Parliamentary Organization (IPO). Likewise, as noted above, the private and corporate sector, which has been building “B2B” (business-to-business) networks throughout East Asia, has been instrumental in urging their Track 1 counterparts to enhance regional cooperation. However, their contributions to Track 1 and vice versa would depend on the effectiveness of the linkages between them.

In addition, as others have also proposed, links with Track 3 groupings – non-governmental organizations (NGOs), social movements and other civil society actors – may also be encouraged. The emergence of the ASEAN People’s Assembly (APA) is an encouraging trend and should be supported by the governments. The involvement of non-governmental actors in inter-governmental cooperation will enhance the legitimacy of the given international institution, not least the EAS. In order to be seen as a legitimate international institution in today’s global society, any inter-governmental cooperative framework must incorporate civil society actors, including, it may be added, human rights advocacy groups which regional governments have long ignored. For the purpose of legitimacy and reputation, the EAS needs to incorporate civil societies into its activities.

In this respect, we highly welcome the proposal by Malaysia, as host of the December inaugural, to organize parallel business and civil society summits to be held on the sidelines of the EAS meeting in Kuala Lumpur. Indeed, more than anything else, the ambitiousness of the civil society summit, which seeks to bring together representatives from the four Track 2 and Track 3 communities identified above – the APA, the ASEAN IPO, the ASEAN-ISIS and wider regional epistemic community, and the so-called “Informal ASEAN Human Rights Mechanism” (currently headed by a former Indonesian attorney-general) – highlights the readiness of Track 1 towards substantive engagement with other sectors in the region. It is noteworthy that ASEAN leaders have of late been emphasizing the need to make ASEAN more relevant to the peoples and societies of Southeast Asia and not just to their governments. Indeed, if express notions of regional community – “East Asian Community”, “ASEAN Community”, etc. – are to be part-and-parcel of socially-lived truth in the region, then nowhere likely is this more evident than in meaningful efforts, both top-down and bottom-up, to bridge the inter-governmental and transnational civil society sectors.



FUNCTIONAL COOPERATION

BASKET ONE (SHORT/IMMEDIATE-TERM ISSUES)

Although confidence building will always remain integral to the Summit agenda, the EAS nevertheless should adopt a thematic and problem-oriented approach to the serious challenges confronting the contemporary East Asian region. We welcome the proposal put forth at the Vientiane AMM to establish an Eminent Persons Group (EPG), whose task will be to produce and submit recommendations for the senior officials' consideration, in anticipation of the Manila Summit in 2007. With these in mind, we propose two issue baskets, the first comprising short/medium-term issues and the second, medium/long-term issues.

TERRORISM

While terrorism is not a particularly new phenomenon to Asia, it is clear that the current terrorist threat is qualitatively different from the secular communist insurgencies that dominated the best part of the Cold War era. What sets apart the so-called "new terrorism" of today is its religiously-legitimated political agenda that tends to encourage rigid, absolutist, binary worldviews. The latter tends, in turn, to produce militants who are generally not amenable to negotiated compromise and who display a proclivity for wanton attacks on civilian populations, to an extent unheard of in the past.

In Southeast Asia, the new terrorist threat is typified by *al-Jemaah al-Islamiyah* (JI), a transnational terrorist network that, while having its origins in the old Darul Islam militant movement in post-war Indonesia, has nevertheless been influenced by the global jihad ideology of Osama bin Laden's Al Qaeda network. In recent years JI, which declares its goal to be the creation of a pan-Southeast Asian Islamic caliphate, has been responsible for a series of bomb attacks in the region, particularly in Indonesia and to some extent in the Philippines. These attacks include, *inter alia*, the October 2002 and October 2005 blasts in Bali; the August 2003 attack on the J.W. Marriott in Jakarta, as well as the September 2004 attack outside the Australian embassy in Jakarta. More than 200 people, mainly Westerners and Indonesians, died in these three terrorist strikes alone.

In addition, there is every indication that JI, in a manner reminiscent of its Al Qaeda ideological bedfellows, is seeking to co-opt ongoing Islamist insurgencies in the region, such as in the southern Philippines, transforming national jihadi agendas into more transnational, global jihadi ones. Perhaps more worrying, the spread of Al Qaedaist ideology, with its stock emphasis on an Islam under civilizational attack by a global Jewish-Christian conspiracy spearheaded by the U.S. and Israel, may well be striking a chord with young Muslims in politically and socio-economically depressed Southeast Asian communities. At the very least, this may help JI replenish its losses due to counter-terror operations by regional governments.

At worst, it may lead to the rise of new, previously unheard-of JI-like groups or networks that may have not had formal institutional links with JI but may well be inspired to engage in copycat terrorist activity. This is why the worsening Islamist insurgency in southern Thailand is a cause for concern, as it has reached a stage, according to some observers, of being “ripe for foreign exploitation”. There is every reason, in short, to re-engage with the underlying conditions that give rise to the “new” radical Islamist terrorism, in particular, and perhaps terrorism per se, more generally. In other words, we need to go back to first principles and look at so-called “root causes”. It is well accepted today that the phrase “the root causes of terrorism” is generally over-used and in danger of losing its analytical utility. A way around this problem is to think of root causes in terms of a hierarchy of causes, of which three are crucial.

Terrorism is political: Terrorism is, at base, a political exercise. A useful working definition of terrorism is “the use or threat of use of extra-normal violence against non-combatants for political purposes”. Terrorists seek to encourage fear and suspicion such that people would begin to treat others from different ethnic or religious origins abnormally. Ultimately, terrorism succeeds if and when it atomizes the community along religious, ethnic and other lines. The means by which terrorism terrorizes is *political communication*. It is political because terrorists, claiming to act on behalf of one community, seek to compel – to impose its will on – another community or target audience to change its behaviour in ways consistent with the interests and objectives of the former. Regardless of the actual reasons terrorist groups may have for engaging in terrorist actions, the ultimate motivating dynamic, or root cause, if you like, is always political. Terrorism is a continuation of politics by other means. Terrorist organizations remain intrinsically political entities even today, despite the religious/ideological veneer that seems to characterize the likes of Al Qaeda and JI.

The “Story”: A second-order root cause, ideological in kind, relates to the “Story”. The Story refers to those mobilizing narratives or ideologies that: (i) enable terrorist leaders to offer potential recruits an explanation for their felt grievances; and (ii) establish a programme of action to ameliorate those grievances by restructuring society in accordance with a normative vision of what the “just society” ought to be. The Story generally has three elements:

First, there is usually a diagnosis of why society is suffering. The diagnosis may be materialistic, as in the case of communism, which emphasized class inequalities as the wellspring of societal injustices. Or it may be nationalistic (e.g. “we are not in control of our own affairs and our destiny – this is bad”). Or the diagnosis may be religious (“this society is in trouble because we have deviated from God’s path”).

Second, the Story must identify a scapegoat on which to blame society’s ills (e.g. capitalists for the communists; Jews for the Nazis, the “Jewish-dominated” U.S. government for the Christian Identity Movement, the “Jewish-Crusader Alliance” for Al Qaeda and the Mantiqi One JI faction). Having a scapegoat is extremely functional as it represents an “evil” enemy against which drastic action, even terrorist action, is seen as both politically necessarily and morally justifiable. Religious cults, for example, are very effective in generating the “us-versus-them” binary worldview that fuels radicalized ideologies and ultimately, possibly, even terrorism.

Third, the making of a powerful Story has three components:

- a. *Presence of charismatic absolutist leaders who offer guidance and meaning in life.* For example, the Singapore Government's white paper on JI asserted that some JI detainees had found it "stressful" to be critical, evaluative and rational and had relied on their JI ustaz (preachers) to show them how to be better Muslims.
- b. *Blind obedience to the leader's interpretation of truth and suppress dissent.* It is difficult for dissenting voices to gain ground as they are far more likely to be smothered by a combination of intense peer pressure and group-think processes.
- c. *Isolation of group members from the religious mainstream.* Again, in the Singapore JI case, members met mostly in homes rather than mosques and exhibited a sense of exclusivity that they alone had knowledge of the true Islam. Similarly, Christian Identity militias in the U.S. prefer remote rural locales, aloof from the wider community and society. Physical isolation expedites the construction of an alternate reality - the Story, in short.

If the centre of gravity of the enemy is "the hub on which everything depends" (Clausewitz), then it is not hard to see that it is, in fact, the Story that holds together terrorist networks or systems of leaders, recruits and communities of support. Once the Story is de-legitimized and discredited, the terrorist system will likely lose its internal coherence and dissipate into its component parts.

Structural conditions. Finally, there are a plethora of third-order root causes that take the form of various, familiar grievances that serve as drivers of terrorism in various localized contexts: relative socio-economic deprivation; political repression; perceived ethnic and religious marginalization; revenge; and U.S. foreign and security policy. These provide reasons for people to think that "something is not right", or "I am not happy" or "things just cannot go on like this" or "life is so unfair". In short, they provoke profound soul-searching in individuals, no matter their socio-economic, educational or vocational backgrounds. To be sure, it is not possible to accurately discern the main reason why people become restless, dissatisfied and upset. What is clear, however, is that third-order factors render individuals vulnerable to the attractions of the second-order root cause: the Story. As terrorism expert, Walter Laqueur, put it, ideology and psychology go together. This partially explains how ordinary, even respectable, members of society can turn into religiously motivated terrorists capable of killing civilians, including their neighbours, or engaging in suicidal attacks.

RECOMMENDATIONS

Against this backdrop, we propose that the EAS formulate a comprehensive three-level strategy for dealing with the three-tiered hierarchy of causes across several policy domains at various levels – national and regional; unilateral, bilateral and multilateral. Any strategy for eliminating terrorism must address these three tiers simultaneously. We can thus think of an all-embracing Counter-Terrorism Master Plan (CTMP) as comprising three elements – operational, ideological and functional – operating concurrently. Based on this analysis, it would be possible to identify four broad policy thrusts:

8 USE EXISTING COUNTER-TERROR DIPLOMATIC FRAMEWORKS AND RESOLUTIONS AT THE U.N. AND REGIONAL LEVELS TO IMPLEMENT BILATERAL AND MULTILATERAL OPERATIONAL STRATEGIES THAT ADDRESS IMMEDIATE TERRORIST THREAT

An operational strategy would consist, essentially, of measures aimed at coping with the immediate threat posed by terrorist organizations:

- a. Law enforcement programmes and operations for targeting terrorist leaderships
- b. Disrupting terrorist financing and logistics pipelines
- c. Improving state capacities for intelligence collection, analysis, distribution and exchange
- d. Defending critical physical, financial and cyber infrastructures against terrorist attacks
- e. Tightening border, coastline and immigration defences and controls

This list is not exhaustive. In a sense, it would be fair to assert that it is precisely in the sphere of operational strategy that the lion's share of current counter-terrorism activity has taken place. Operational strategy would therefore encompass U.N. Security Council resolutions such as UNSC 1373, issued shortly following 9/11 and easily the most comprehensive anti-terrorism measure ever passed by the United Nations, and regional frameworks such as the U.S.-ASEAN Joint Declaration on Combating Terrorism (August 2002), the Anti-Terrorism Pact by Malaysia, Indonesia and the Philippines (May 2002), the ASEAN Declaration on Joint Action to Counter Terrorism (November 2001) and the ASEAN Declaration on Terrorism (November 2002). These serve as important interlocking diplomatic frameworks that enable operational counter-terrorism cooperation among Summit members at both bilateral and multilateral levels.

9 CONDUCT IDEOLOGICAL STRATEGIES THAT DE-LEGITIMIZE MILITANT NARRATIVES

It should be reiterated, however, that operational strategies implemented through national, bilateral or multilateral mechanisms, while important, only counter the *first-order* root cause of terrorism: the politically-driven desire of the terrorist organization to impose its will on the wider society. Operational strategy must thus be complemented by other elements of a broad-based CTMP. Another such element would be a comprehensive ideological strategy to de-legitimize the Story employed by terrorist leaderships to recruit, sustain support and justify attacks against defenceless civilians. Elements of such an ideological strategy would include:

- a. Inter-faith and intra-faith dialogues aimed at exposing relatively cloistered militant communities to differing interpretations of the faith
- b. More careful oversight of the educational curricula of religious schools and the expository content of sermons in mosques
- c. More effective registration of itinerant preachers; and perhaps harsher legal deterrents against inflammatory preaching and broadcasting in both traditional and new electronic media

10 CONDUCT FUNCTIONAL STRATEGIES THAT ALLEVIATE AND ERADICATE STRUCTURAL INADEQUACIES

Operational and ideological CTMP strategies must finally be complemented by a final element: functional strategy. Functional strategies deal with third-order structural causes that throw up aggrieved and unsettled individuals who make potential candidates for militant causes. They include:

- a. Provision of broad-based universal education to foster both technical, professional expertise as well as a liberal, critical-minded slant of mind
- b. Adequate social welfare nets to encourage strong and well-adjusted families
- c. Sound social and economic programmes that maintain an equitable distribution of wealth and public goods among the various ethnic/religious groups in society
- d. Well-conceived cultural policies that safeguard the language and customs of the various communities

It should be recognized that serious shortcomings in any of these domains could well be securitized by skilled provocateurs in ways that justify the Story. It is at precisely this point that the journey of some disgruntled individuals towards becoming terrorists begins. It is precisely such a trajectory that an effective CTMP, if it is to be truly efficient, has to forestall.

11 USE EXISTING COUNTER-TERROR DIPLOMATIC FRAMEWORKS AND RESOLUTIONS AT THE U.N. AND REGIONAL LEVELS TO PURSUE BILATERAL AND MULTILATERAL CTMP COOPERATION AMONG EAS MEMBER STATES

U.N. Security Council resolutions such as UNSC 1373, issued shortly following 9/11 and easily the most comprehensive anti-terrorism measure ever passed by the United Nations and regional frameworks such as the U.S.-ASEAN Joint Declaration on Combating Terrorism (August 2002), the Anti-Terrorism Pact by Malaysia, Indonesia and the Philippines (May 2002), the ASEAN Declaration on Joint Action to Counter Terrorism (November 2001) and the ASEAN Declaration on Terrorism (November 2002) serve as interlocking diplomatic frameworks that should be used to endorse the building and sustaining of CTMP cooperation among Summit members at both bilateral and multi-lateral levels.

PIRACY AND MARITIME SECURITY

The protection of East Asia's sea lanes of communication (SLOCs) is, quite possibly, one of the most fundamental strategic challenges confronting the region today, not least because maritime security is so inextricably tied to economic and energy security for most, if not, all EAS members. SLOCs constitute the "lifeline" for Asian economies reliant on natural resources and raw materials from other locales to fuel their industrialization as well as foreign mar-

kets to which their exports are shipped. Today, these “lifelines” are perceptibly jeopardized more generally by the threat of maritime terrorism and, more specifically, for sub-regions like Southeast Asia, by the added threat of piracy. Shipping ports have evolved from being traditional interfaces between sea and land to providers of complete logistics networks brought about chiefly by containerization. Hub ports are, therefore, lucrative targets of attack. Shipping in the major sea lanes could also become lucrative targets as a successful attack may disrupt shipping in the region and result in costs to the regional supply chain.

Although piracy has dropped by thirty percent worldwide, in the waters around Indonesia and the Straits of Malacca, the number of piracy incidents has actually *increased*. A number of disturbing new trends have also emerged. Piracy has become more violent in recent years. Pirates are now armed with AK47 assault rifles and even rocket launchers. Kidnap-for-ransom cases have dramatically increased in the Straits of Malacca. This had previously only been a tactic employed by separatist groups in the area, for example the Abu Sayyaf Group in the Philippines. However, it seems that pirate groups have now adopted this tactic. Crew members are being taken hostage and ransoms are being demanded for their release. What is very worrying is that the ransoms are being paid by the employers of those kidnapped. This will only embolden the pirates to carry out more of such attacks. There is also an increasing trend in the hijacking of smaller vessels. The number of tugs going missing in the region is worrying indeed, given their potential for use in a terrorist operation. The situation has become even more serious given the somewhat dubious declaration by Lloyd’s Joint War Committee that the Straits of Malacca constitute a “war-risk area”. To be sure, the motivations of the terrorist and that of the pirates are fundamentally different. However, there must be vigilance over the continued possibility of an overlap between piracy and maritime terrorism simply because the manner of operations is similar, making it difficult to distinguish between the two when an incident is unfolding. Piracy thus forms the background noise from which maritime terrorist attacks may materialize.

Issues such as sovereignty, responsibility and differing national priorities have been obstacles to cooperation in the region. Concern by the littoral states over safeguarding their sovereignty meant that the trilateral coordinated patrols lacked a provision for “hot pursuit”. It is also recognized that there is a need for the “user states” of the region’s strategic waterways to take on some of the responsibility for ensuring the safety and security of these waterways. However, there is an ongoing debate over who the “user states” are and what they should contribute. Differing priorities among the littoral states have also slowed cooperation. Indonesia benefits little from the shipping that transits the Straits and is therefore less willing to contribute scarce resources to ensure its security.

Regarding maritime interests in the Northeast Asian region, one potential source of conflict is the dispute over delimitation between China and Japan in the East China Sea, where petroleum and gas fields being developed by China bestride the Sino-Japanese maritime boundary. While this issue is germane to energy security, it is equally salient as a concern for maritime security. Where the South China Sea is concerned, similar disputes over exclusive economic zones, continental shelves and energy resources persist, although regional policy discourse on this seems curiously to have abated in the wake of China’s diplomatic “charm offensive” towards Southeast Asian states.

RECOMMENDATIONS

The EAS provides an excellent vehicle for taking forward regional cooperation against maritime piracy and terrorism. Multilateral cooperative initiatives the summit can champion include:

12 ESTABLISH JOINT COOPERATION ZONES

Distinct from the Trilateral Coordinated Patrol concept, the notion of Joint Cooperation Zones involves joint patrols by the navies of the littoral states and/or, more ambitiously if not unrealistically, the navies of “user states” including the U.S. Understandably, this automatically invites contentions over sovereignty. But the possibility of creating Joint Cooperation Zones that will not affect sovereignty claims deserves to be examined to allow for user state participation in patrolling the affected sea lanes. The “Eye in the Sky” initiative is a step in the right direction. User state participation is arguably permissible under U.N. Article 43, who allows for contributions by user states that do not compromise territorial sovereignty.

13 CONDUCT MORE ACCURATE ASSESSMENTS OF PIRACY AND MARITIME TERRORISM PROBLEMS

The EAS should encourage the conduct of more accurate assessments of the problem of piracy. Likewise, the issues of maritime terrorism and more general threats to the region’s SLOCs merit more accurate assessments. The reliance almost entirely on data from the International Maritime Bureau has led to an over-exaggeration and misinterpretation of the problem. Where the Malacca and Singapore Straits are concerned, ReCAAP should help to address this problem.

14 PROVIDE RESOURCES AND VARIOUS SUPPORTS FOR LITTORAL STATES

Relevant international agencies, the shipping community and “user states”, especially EAS members, must contribute resources, training and financial support to the littoral states to help enhance the security of the Straits of Malacca. Japan has already done much in this area. It should be used as a model for other states wishing to do the same.

15 ESTABLISH A TECHNICAL EXPERTS GROUP ON MARITIME SECURITY FOR THE EAST ASIAN REGION

One of the most interesting developments in the emerging anti-piracy and maritime security regime in the Malacca and Singapore Straits is the proposed Tripartite Technical Experts Group (TTEG) to complement the efforts of the existing TTEG on Safety of Navigation and the Revolving Fund Committee. The EAS should consider establishing a region-wide TEG on maritime security focused on enhancing the security of SLOCs.

HEALTH SECURITY

It was not too long ago when Asia was hit by the virulent corona-virus that caused the Severe Acute Respiratory Syndrome (SARS) in 2003. The region's experience with SARS, which turned out to be one of the most feared diseases in modern history, was instructive in that it demonstrated how the pandemic turned out to be more than a health crisis. But there are other reasons why the international community need not wait for the worst-case scenario of state failure before infectious diseases can be considered as a matter of state and human security:

- a. *Scale, speed and extent of outbreaks without precedent.* With globalization, the scale, speed and extent of movement of people and goods are without parallel. According to the World Health Organization (WHO), new diseases are emerging at an unprecedented rate of one per year. New strains have also appeared, including the more recent outbreak of the highly unstable forms of flu virus – SARS and now avian flu being two of these. The WHO has also warned that if this impending “big” flu pandemic will break out, about two million in Asia and seven million globally will die from a new, virulent strain of h2h influenza such as H5N1, and another 1.5 billion will seek medical attention. And, while a vaccine can be developed, it may be a case of “too little, too late for many victims”.
- b. *Aggravating impact of force-multipliers.* Aside from globalization, there are “artificial” disease force-multipliers which greatly exacerbate not only the incidence but also the spread of infectious disease. These include modern medical practices, accelerating urbanization, climate change resulting from global warming and new social and behavioural patterns.
- c. *Pathogenic threat to regional stability.* The threat from infectious pathogens is greater today than ever. The outbreak or even resurgence of infectious diseases can in fact undermine a state's control of what happens within its territory and may also threaten the stability of the region.

RECOMMENDATIONS

With these concerns in mind, we propose that the EAS adopt the task of advancing and realizing the goals of health and human security by 2020 through the following measures:

16 DEVELOP A REGIONAL DISEASE-SURVEILLANCE MECHANISM FOR DISEASE CONTROL

Against the looming threats of infectious diseases, it is imperative that states in East Asia pay serious attention to health issues for regional stability. This involves integrating health and human security as a major component in the region's multilateral cooperation programme. In this regard, one of the immediate measures to be considered should be the development of a regional disease-surveillance mechanism. This regional surveillance could play a crucial role in supporting the existing global surveillance mechanisms (e.g. Global Outbreak Alert and Response Network) in timely reporting of

outbreaks of infectious diseases and in providing crucial information to the WHO. This would require promoting strict observance of relevant health protocols and compliance with international health conventions.

17 STRENGTHEN COOPERATION AMONG HEALTH AGENCIES AT VARIOUS LEVELS – LOCAL, NATIONAL, REGIONAL AND GLOBAL

The development of a regional disease-surveillance mechanism for infectious disease control also requires strengthening cooperation among health ministries and related agencies at all conceivable levels of domestic and international interaction. In this regard, the centrality of providing good public health systems must be emphasized. It must be noted, however, that many parts of East Asia often lack basic health care facilities. This problem stems from inadequate resources allocated to public health, particularly for primary health care facilities. Thus, for a regional disease-surveillance mechanism to be effective, building local capacities among member states is critical. This underscores the importance of providing more resources for building good public health systems.



FUNCTIONAL COOPERATION

BASKET TWO (MEDIUM/LONG-TERM ISSUES)

ECONOMICS

EAST ASIAN FREE TRADE AGREEMENT

East Asia has already achieved a substantial degree of de facto economic integration, driven largely by market forces, a phenomenon that is all the more remarkable because of the region's marked heterogeneity compared to Western Europe. Intra-regional exports rose from less than 35 per cent of the region's total exports in 1980 to about 50 per cent in 2003, while intra-regional imports rose from 30 per cent in 1980 to 55 per cent by 2003. The high degree of regional trade is also associated with the growth of regional or cross-border production networks in East Asia, involving both regional and global firms. The growth of cross-border production processes is reflected in the significant rise in trade in intermediate inputs (parts and components), accounting for 16 per cent of total regional trade. While the region received large amounts of foreign direct investment (FDI) flows from the U.S. and the European Union from the 1970s to the mid-1990s, the financial crisis and the measured growth of the global economy led to a slowdown in these flows since the late 1990s, with much of the inflow going to China.

The growing intensity of regional economic interdependence in East Asia has not, however, been accompanied by an East Asia-wide institutionalized mechanism that would help bring down existing barriers to even close regional integration. Instead, institutional mechanisms are available at the sub-regional, ASEAN level through the ASEAN Free Trade Area and the ASEAN Investment Area as well as through the Pacific-wide Asia Pacific Economic Cooperation (APEC). While tariffs have been reduced on virtually all manufactured products within ASEAN, selected product areas, especially in agriculture follow a delayed liberalization schedule. Non-tariff barriers still remain a problem, while ASEAN-wide investment liberalization has been slow.

Indeed, the relatively slow of sub-regional economic cooperation is in marked contrast to the fast pace at which bilateral free trade arrangements are being negotiated. As of 2004, more than 30 of such agreements have been under negotiation or under study in East Asia. In fact, the two trends may be related, with bilateral FTAs seen as being easier to conclude compared to broader regional agreements and especially multilateral agreements. The stalemate at the WTO since the abrupt ending of the 1999 Seattle Ministerial Meeting has led many regional states to hedge their bets through the bilateral framework, which, though vital, is, however, a suboptimal solution at best.

RECOMMENDATIONS

In this regard, we propose that the EAS do the following:

18 BEGIN INFORMAL DISCUSSIONS ON BRINGING TO FRUITION AN EAST ASIAN FREE TRADE AREA AND ENSURE FOLLOW-UP DELIBERATIONS ON THE OBSTACLES THAT HINDER ITS REALIZATION

As has been proposed in the Final Report of the East Asia Study Group, among others, the establishment of an East Asian Free Trade Area is something to be pursued. There are already sufficient studies of the benefits and costs of such an exercise, and further studies are necessary. What is needed is the political will. The EAS must initiate informal discussions on the obstacles to establishing a region-wide Free Trade Area and identify potential ways in which to realize the project.

19 DISCUSS THE POSSIBILITY OF MULTILATERALIZING EXISTING BILATERAL FTAs IN EAST ASIA

While sub-regional and bilateral institutional mechanisms are vital to maintaining countries' access to beneficial trade and investment, an East Asian-wide free trade area – in short, a *multilateral* process – would be a more rational economic option, given the extent of East Asian economic interdependence already existing. However, the political will to move forward on this matter will be the sticking point.

SUCCESSFUL COMPLETION OF DOHA ROUND

The World Trade Organization (WTO) has been in limbo since the abortive 1999 Third Ministerial Meeting of the WTO held in Seattle. Although the launch of the Doha Development Agenda (DDA) at the Fourth WTO Ministerial Meeting in Qatar in late 2001 led to optimism that a new Round would be successfully concluded, the failed Fifth Ministerial Meeting at Cancun in 2003, however, dashed any hope for an early and speedy agreement on the DDA. Since then, ministers and trade negotiators have been working towards reaching some form of resolution on outstanding issues in time for the sixth Ministerial Meeting in Hong Kong in December 2005. Key sticking points include: (i) agriculture; and (ii) the Singapore Issues (investment, competition, government procurement and trade facilitation).

RECOMMENDATION

20 ISSUE STRONG CALL FOR THE SUCCESSFUL COMPLETION OF THE DOHA DEVELOPMENT ROUND

Given that open trade and investment links are vital for East Asia, the forthcoming East Asia Summit must issue a strong call to all government worldwide to enter the Hong Kong Ministerial in a spirit of accommodation to ensure that the Doha Development Round is brought to a successful conclusion.

ENERGY

The issue of energy security can be understood at two levels. At the macro-level, energy security is defined as the competition for natural resources and how that dynamic features in the calculus of the broader national security agenda. In other words, energy security in this instance is bound up with geopolitics and geo-economics; it constitutes a component of national security broadly defined. With the rise of China and India as both economic and military powers, and the resurgence of Japan, the extent to which the competition for energy resources is driving the dynamics of inter-state rivalries and military forces modernization among the great powers of Asia, is a question of major import. Indeed, all members of the EAS are energy-deficient states dependent on extra-regional sources of energy.

At the micro-level, energy security consists in “technical issues” of how the security of energy supply is ensured and how the risks to that supply are assessed and mitigated against. Some of these issues would include:

- a. Maritime security vis-à-vis potential threats to oil tankers, the security of ports and trans-shipment points and the disruptions to oil supply
- b. Infrastructure security (e.g. “hardening” potential terrorist targets such as oil refineries, power plants and other such installations)
- c. Supply chain vulnerabilities: with the globalization of production and the turn-key sequencing of manufacturing, any disruption to one node of the supply chain would have repercussions on the rest of the productive process. Governments and companies alike need a framework with which to assess threat and mitigate risk. Furthermore, the rise in business transaction costs and insurance premiums could lead to shocks in the broader economy as corporations reassess their business models and attempt to pass on costs to end-users.

Notably, ASEAN has an energy forum at the first-track level for discussing these concerns. Whether a similar forum can be established at the East Asian regional level remains to be seen. The question of how best to increase energy production without worsening the regional economic and security context – how best, in short, to manage what some have called the “trilemma” of balancing energy, environment and security concerns – is therefore of primary import.

RECOMMENDATIONS

As the above has shown, the issue of energy security is a highly fungible one, which can be addressed either as fuelling great power rivalry and traditional geopolitical/geo-economic interests, or it can be seen as a slew of operational/technical issues that are intertwined with maritime security, counter-terrorism, project risk and insurance and so forth. Accordingly, we propose that the EAS do the following:

21 USE BOTH BILATERAL AND MULTILATERAL INTERGOVERNMENTAL CHANNELS TO ADDRESS ENERGY-RELATED SOVEREIGNTY DISPUTES PEACEABLY

Issues to do with geopolitics (e.g. to the extent to which naval force modernization is being driven by the desire to secure off-shore mining rights) fall solely under the purview of officialdom. Consequently, because access to raw materials is seen as necessary to national survival and hence is sovereignty-related issue, multilateral-cum-regional level attempts to resolve such tensions, which could be inherently problematic, may nevertheless be addressable through bilateral means.

22 ENCOURAGE FUNCTIONAL COOPERATION IN TECHNICAL ISSUE AREAS INVOLVING SPECIALIZED GOVERNMENTAL AGENCIES AS WELL AS CORPORATE/PRIVATE SECTOR ACTORS

Technical issues fall under the purview of specialized agencies and are not seen as greatly impinging on sovereignty. Hence, there is not only scope of greater inter-state cooperation, but also a higher degree of private-sector interest. A possible argument could be that because these issues are not framed in grand national-strategy discourse, they are therefore more amenable to cross-border and cross-sector cooperation. Further, given the prevalence of the private sector in the energy market, synergies can be obtained from greater dialogue between the public and commercial sector.

HUMAN SECURITY

We propose that the EAS adopt a human security agenda for East Asia. In a region where governments, regional institutions and policy communities have long emphasized the notion of “comprehensive security” as a framework for regional order, adopting the concept of human security would seem a natural extension of this concept. Moreover, the increasing salience of human security can be seen in the way the United Nations and its agencies like the United Nations Development Programme (UNDP) and other multilateral institutions such as the World Bank have embarked on programmes guided by the objectives of promoting human security. Against these developments, it becomes more compelling for the EAS to make human security as one of the pillars that define its agenda for multilateral cooperation. In this regard, we suggest a human security agenda comprising three core areas that represent the most urgent yet common human security challenges confronting East Asia today. These are as follows:

POVERTY ERADICATION

In a region where one finds some of the world’s fastest growing economies, it is ironic that it is also home to some 700 million who live on less than US\$1 a day. Thus, the picture of a dynamic economic region is blighted by the fact that a majority of the world’s poor is found in East Asia.

It is in East Asia where three of the world's most populous countries – China, India and Indonesia – are located. It is also in East Asia where the development gaps are most pronounced. This is most visible when one compares the richer states – Japan, South Korea and Singapore with ASEAN's CLMV countries – Cambodia, Laos, Myanmar and Vietnam. Indeed, within the ASEAN region, concerns have already been raised about the emergence of a “two-tiered ASEAN”. Similarly, wide economic gaps exist among the more developed states in Southeast Asia. For instance, within the older members of ASEAN, Malaysia's Gross Domestic Product (GDP) is a distant third after Singapore and Brunei. At the same time, Indonesia's GDP per capita is only about a third of Malaysia's, while the Philippines has the highest incidence of poverty among the ASEAN-6.

Moreover, there is the often ignored, yet salient fact about the striking income disparities within a country, such as those between urban-rural areas or between provinces, districts and municipalities. These are found in both bigger countries – China, India and Indonesia – and in smaller countries like Laos and Cambodia. It is important to note that it is also in the remote rural areas inhabited by ethnic minorities that one finds the most deprived and the most vulnerable.

RECOMMENDATION

23 ESTABLISH AN EAST ASIA FUND FOR POVERTY ERADICATION

As has been suggested elsewhere, we urge EAS countries to seriously consider establishing a regional fund for poverty eradication. This fund would complement the initiatives undertaken at the global level such as the U.N.'s *Millennium Development Goals* which has set as one of its primary aim the eradication of extreme poverty and hunger by the year 2015. Adopted at the Millennium Summit in September 2000, the objectives of this goal are two-fold and have numerical targets: (i) it sets the target of reducing by half the proportion of people living on less than a dollar a day; and (ii) it aims to reduce by half the proportion of people suffering from hunger.

Similarly, ASEAN through the Bali Concord II has also envisioned a community of “caring societies, peaceful, prosperous”, which have been embodied in the goals to establish an ASEAN Community via the three-pillared communities – namely, the ASEAN Economic Community (AEC), ASEAN Security Community (ASC) and the ASEAN Socio-Cultural Communities (ASCC) – by the year 2020. One of the important agenda in the Bali Concord II is the narrowing of development gaps in ASEAN through the establishment of an ASEAN Development Fund as outlined in the Vientiane Action Plan (VAP) of 2004.

Thus, an East Asia poverty reduction fund dovetails with many of these existing development initiatives within the region. It also provides a regional anchor that would bring together the various poverty alleviation programmes aimed at the ultimate goal of eradicating poverty in the region.

MANAGING NATURAL DISASTERS IN ASIA

Asia is a region where major natural disasters often occur. The December 2004 massive earthquake and tsunamis are just one of the many examples of the human tragedies that the region has had to cope with and where the grim tasks of undertaking disaster relief operations, providing humanitarian assistance and post-disaster reconstruction and development feed into a vicious cycle. The extent of human loss, misery and suffering are often found among the poverty-stricken areas of Asia and where disaster preparedness and protection are severely inadequate.

The impact of natural disasters affects the security of states and societies. Whether in the form of torrential floods, earthquakes and tsunamis, these disasters threaten the survival and well being of people. They heighten the insecurities of the most marginalized and vulnerable populations in the region as poverty, disease and environmental degradation set-in in the aftermath of these disasters. Natural disasters therefore generate complex emergencies that require urgent and coordinated responses from a broad range of state and non-state actors.

RECOMMENDATIONS

24 DEVELOP REGIONAL AGREEMENTS ON DISASTER MANAGEMENT AND EMERGENCY RESPONSES

Given the lack of capacity of states in the region to cope with major natural disasters, the EAS should explore a number of regional initiatives to address the multifaceted problems related to disaster preparedness, relief operation, humanitarian assistance and post-disaster reconstruction and development. While several countries in the region have started to develop their own early-warning mechanisms for monitoring earthquakes and tsunamis, coordination of regional efforts at disaster preparedness and management needs to be further improved. In this regard, more can certainly be done to explore and establish a number of regional agreements to better streamline national and regional efforts at building capacity to respond to disaster emergencies (e.g. earthquakes, floods and tsunamis).

25 INTENSIFY EFFORTS IN PROVIDING REGIONAL HUMANITARIAN ASSISTANCE

Another vital component to disaster management is providing humanitarian assistance to disaster stricken countries. The region's recent tsunami experience has shown how the international community has come together to extend the much needed assistance and how such efforts have helped tremendously in alleviating the sufferings of disaster victims and their families. These include efforts in providing safe havens for dislocated population. The EAS must therefore continue to deepen regional cooperation and intensify efforts at establishing a regional action plan for providing humanitarian assistance to disaster emergencies.

TRANSNATIONAL CRIME

There is a political willingness to address transnational crime (TNC) issues, like drug and human trafficking, in East Asia. The region has seen an increasing level of multilateral collaboration to combat forms of TNC. Yet international cooperation against such challenges can be complicated by several factors:

- a. *Preference for unilateralism.* National governments still often prefer to react to these problems at a national level. Addressing drug trafficking, human trafficking and other forms of TNC touches on sensitive questions of national jurisdiction, the sharing of information, extradition laws and problems of corruption. East Asian governments must be fully aware that they cannot address these problems alone. A transnational response is required.
- b. *States' difficulty with operationalizing and implementing counter-TNC conventions.* Most East Asian states have endorsed U.N. Conventions to combat TNCs. Yet a challenge is to interpret these conventions and treaties and to convert them into operational strategies to address such problems on the ground and achieve tangible outcomes. Here more attention needs to be given to the training of law enforcement agencies and capacity-building, particularly in the poorer member countries.
- c. *Weakness of regional mechanisms.* Regional arrangements continue to suffer from an institutional deficit that limits their structural capacity to respond to transnational crime concerns. Priority should be given to enhancing the capabilities of the existing regional institutions.

ILLICIT DRUG AND HUMAN TRAFFICKING

The illicit trafficking and consumption of drugs is perhaps the most serious TNC problem faced by the East Asian states. The socio-economic ills caused by the trafficking and consumption of narcotics are well known. It raises the level of violent crime, spreads HIV/AIDS due to intravenous drug use, wastes human potential and undermines family structures. In addition to social consequences, drug trafficking and consumption has significant economic and political effects. It creates shadow or black market economies that evade taxation authorities and distort financial institutions. Moreover, drug traffickers violate national borders, compromise political and administrative systems and erode the rule of law. Finally, drug trafficking is connected to other categories of TNC. It is the prime generator of money laundering and is linked to arms smuggling, organized crime, corruption and, in some cases, terrorism.

Since the 1990s, drug traffickers in the region have diversified into the manufacturing of synthetic drugs. They have supplemented their involvement in the heroin trade with the manufacturing of amphetamine-type stimulants (ATS) that include amphetamines, methamphetamines and substances with hallucinogenic properties. The manufacturing of synthetic drugs in the region is estimated to have increased substantially in recent years. They are produced in small and portable laboratories and can easily be smuggled in large quantities to other countries. The quantity of trafficked ATS pills seized by law-enforcement agencies has also increased in tune with the rise in production. While heroin consumption has remained a serious problem in East Asia, the consumption of synthetic drugs is growing rapidly, particularly among the youth. It has already reached epidemic proportions in some East Asian countries.

Several forms of multilateral cooperation already exist in East Asia to address the drug trafficking and consumption problem. One important example is the ASEAN and China Co-operative Operations in Response to Dangerous Drugs (ACCORD) signed in 2000 to respond to this rising problem. A Plan of Action has been agreed upon to achieve a region free from drugs. It includes work plans, reviewing processes, priority projects and other cooperative measures. The ACCORD is supported by the U.N. Office on Drugs and Crime (UNODC) and the United Nations Development Program (UNDP) as well as by individual countries in terms of funding, technical cooperation and joint programmes.

Over the last ten years, the issue of undocumented migration has been increasingly linked to organized criminal groups that now largely control the smuggling and trafficking of people. The trafficking of people occurs both between, as well as, within states. The networks involved in human trafficking include centralized criminal groups as well as more decentralized units, including individual criminals and sometimes even relatives. Human trafficking is a thriving activity for organized criminal groups. It is already the most lucrative illicit business after the smuggling of narcotics and arms. Traffickers make high profits while facing a low risk of detection and, if caught and tried, relatively short prison sentences in comparison with drug trafficking. Criminal networks involved in human trafficking are also often connected to other TNC forms, such as the illicit drug trade, money laundering and arms trafficking.

Human trafficking is essentially a human security issue. The majority of the victims are women and children. People traffickers trap mostly young women and children into work or prostitution through the use of force or deceit. The trafficking in women and children is difficult to suppress, as it is predominantly hidden within the broader phenomenon of undocumented migration. Trafficked people and undocumented migrant workers use similar migratory routes, indicating the overlaps that exist between human trafficking and migration issues. Poverty as well as a lack of education and job opportunities for women are the root causes of this problem.

Some cooperative structures already exist in the region to address undocumented migration issues. An important example is the Regional Ministerial Conference on People Smuggling, Trafficking in Persons and Related Transnational Crime co-chaired by Indonesia and Australia. Both countries co-chaired in Bali the first Conference in February 2002 and a second one in April 2003. The two events gathered delegates from more than 30 Asian and Pacific countries as well as representatives from the International Organization for Migration, the United Nations High Commissioner for Refugees (UNHCR) and other international organizations. Ad hoc experts groups have continued to meet.

RECOMMENDATIONS

26 FOCUS ON DEMAND SIDE VIA BOTH CURATIVE AND ESPECIALLY PREVENTIVE ANTI-DRUG MEASURES

The Summit can help its participants to learn from each other in terms of demand side strategies. Focusing only on the supply side cannot reduce drug abuse and trafficking. Besides strong law enforcement, a reduction in demand is the key to an effective management of the problem. A reduction in demand is dependent on education and pre-

ventive programmes, civic awareness and national campaigns on the dangers of drug consumption, treatment, rehabilitation and other measures. The EAS can encourage the sharing of information, expertise and best practices on such demand side strategies.

27 STRENGTHEN REGIONAL LAW ENFORCEMENT AND LEGAL COOPERATION AGAINST DRUG AND HUMAN TRAFFICKING

The Summit can improve law enforcement and judiciary cooperation among the participating states through the sharing of information, expertise and best practices as well as better communication networks and cooperation among specialized agencies. Attention needs also to be given to the training of law-enforcement agencies and other measures to promote a more effective judicial control. The EAS could also examine how to combat the financing of drug trafficking and other forms of TNC, the freezing and confiscating of assets, and the reporting of suspicious transactions. Finally, it could encourage its participants to improve law enforcement cooperation through the signing of bilateral and multilateral extradition treaties and mutual legal assistance treaties.

28 RATIFY THE U.N.'S COUNTER-TNC CONVENTIONS

The Summit can advance in East Asia the principles and procedures promoted by the U.N. through various conventions and monitoring bodies. For example, the Summit could encourage its participants to endorse the 2000 Convention against Transnational Crime that includes protocols on the illicit trafficking and abuse of drugs as well as Protocols to Prevent, Suppress and Punish Trafficking in Persons.

WMD PROLIFERATION

The problem of the proliferation of weapons of mass destruction (WMD) is not new. The international instruments designed to limit WMD proliferation among states include:

- a. 1925 Geneva Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare
- b. 1975 Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction
- c. 1970 Nuclear Non-Proliferation Treaty (NPT), which includes 187 signatories as of 2000
- d. Comprehensive Test Ban Treaty (CTBT), which has had 160 signatories of which 66 states have ratified the CTBT

Since the U.S. terror attacks of 11 September 2001, several other international measures have been undertaken to further enhance the prevention of further proliferation of WMD, directed primarily at violent non-state actors. Two of the more important measures to counter this potential problem are (i) the Container Security Initiative (CSI) and (ii) the Proliferation Security Initiative (PSI), both of which were initiated by the U.S.

The problem with these measures, however, is that they are essentially voluntary. As the cases of India and Pakistan, Iran and North Korea illustrate, the international community is in no position to enforce these protocols. Rather, they depend on the willingness of states to agree to accept these protocols. The main problem for state proliferation of WMD lies primarily with nuclear weapons. For some states, the possession of nuclear arsenals is seen to be necessary for security reasons, or desirable for reasons of prestige and power. Furthermore, these protocols are non-applicable to terrorist organizations. Both the PSI and CSI recognizes that in this case, measures that seek to eradicate black market proliferation of WMD are needed.

However, several obstacles for more effective non-proliferation of WMD exist, such as:

- a. *Technological concerns.* Many precursor materials, especially for chemical and nuclear weapons, are dual-use, applicable for both peaceful industrial as well as military applications. Proper documentation and tracking of the movement of these materials is necessary to prevent WMD proliferation occurring with terrorist organizations.
- b. *Identification and tracking of rogue actors.* The AQ Khan case in Pakistan demonstrates how shadow organizations can be established to facilitate the illegal movement of WMD precursor materials across national boundaries. Banking and finance and trade regulations need to be enhanced for the identification and tracking of these rogue actors. In addition, legislation to freeze the assets of these actors, once identified, needs to be expanded.
- c. *WMD black market operations.* The fear of black market operations, perpetrated by actors such as the AQ Khan case, is only one aspect. Another key issue is the possibility of illicit trade in WMD per se. More attention is needed to ensure the safeguarding, stocktaking and command and control of existing state-held stocks of WMD.

RECOMMENDATIONS

Plausible multilateral cooperative solutions against WMD proliferation include:

29 MORE SIGNATORIES TO ANTI-PROLIFERATION INITIATIVES NEEDED

Given the strictly voluntary nature of these counter-proliferation measures, it is essential that more states sign on to these measures, in particular the PSI and CSI, possibly even the NPT. The overwhelming majority of East Asian states have not agreed to enter the frameworks created by the PSI and the CSI, and more effort needs to be expended to bring more East Asian states on board.

30 ENCOURAGE THE OBSOLESCENCE OF WMD

Finally, more can be done in creating a technological obsolescence of WMD. As long as states perceive WMD to be the ultimate symbol of national power and prestige, the allure of WMD will always remain. Once WMD become technologically obsolete, however, the utility of maintaining such WMD arsenals will be removed.





Institute of Defence and Strategic Studies, Nanyang Technological University
Block S4, Level B4, Nanyang Avenue, Singapore 639798
Tel: 65-6790-6982, Fax: 65-6793-2991, Website: <http://www.idss.edu.sg>

