



Regional organisations and the political economy of conflict in South and South-East Asia

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20 November 2020

Question

How do networks such as the Association of South-East Asian Nations (ASEAN), South Asian Association for Regional Co-operation (SAARC) and Bay of Bengal Initiative for Multi-sectional Technical and Economic Co-operating (BIMSTEC) affect the political economy of conflict in South/South-East Asia?

Contents

1. Summary
2. Background
3. Regional organisations
4. References

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1. Summary

This rapid literature review finds that the role of intergovernmental organisations (IGOs) in the political economy of conflict in South and Southeast Asia is highly disputed. IGOs in the region have relatively few formal powers compared to those elsewhere, leading some scholars to question their efficacy. Others, however, emphasise the importance of informal co-operation and norms not necessarily measured in formal agreements.

This review considers conflict in terms of state wars, low-level border conflict, tensions and disputes with the potential to cause conflict, and non-traditional security including terrorism, serious and organised crime and the threat of climate change. It is a companion piece to a review of border conflicts and long-term conflict trends in the region (Avis, 2020). The region has seen few major conflicts since the 1970s. However, there are a number of micro-conflicts and border disputes. There is considerable tension over competing sovereignty claims over the South China Sea, intensified by the rising power of China. Patterns of defence spending demonstrate that levels of trust are low in the region. There is also significant potential for climate change to trigger conflicts.

The review first surveys the literature on the role of IGOs in conflict, considering the theoretical perspectives in international relations scholarship (IR). It identifies several mechanisms through which IGOs may affect conflict. These are:

- Increased economic connections, and interdependence. Increased connectivity raises the likelihood of conflict stemming from organised crime or non-state armed groups moving across borders. However, increased interdependence is widely seen to raise the cost of potential conflicts and thus act to reduce conflict risks in the longer term.
- The institutional functions of IGOs include providing a forum for the peaceful discussion and resolution of disputes, and the spread of norms against conflict.
- Technical cooperation on combatting cross-border threats such as terrorism and serious and organised crime, climate change, forced migration, and diseases, among others.

The review considers the Association of Southeast Asian Nations (ASEAN), the South Asian Association for Regional Cooperation (SAARC) and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) as the most significant IGOs in the region. However, many of the members of these organisations are also members of other IGOs, such as the Shanghai Cooperation Organisation (SCO), bilateral initiatives, or individual policies, which complement or dilute the influence of the organisations, depending on one's view. The role of China as an economic force, through the Belt and Road Initiative or in its push for territory in the South China Sea and elsewhere, is significant the region – some argue that ASEAN has not presented a united front to the rising power, while others point to China's 'socialisation' to peaceful norms within forums such as ASEAN+3 (APT). India's Act East policy and tensions with Pakistan have seen it lose interest in SAARC.

ASEAN has been credited, by some, with considerable informal influence in generating discussion and spreading norms of cooperation, despite limited formal powers. SAARC and BIMSTEC are seen to have less influence on conflict issues and to focus mainly on economic issues. ASEAN is also the most economically integrated grouping of the three, with South Asia

the least economically integrated region in the world.¹ None of the organisations is recognised with significant cooperation conflicts or on medium- to long-term issues such as climate change. Mutual mistrust and reluctance to cede sovereignty are seen to limit the growth of formal integration and the development of conflict resolution mechanisms in all of the IGOs mentioned. There is also evidence that all of the organisations are split on key conflict issues in the region, such as Kashmir or the Rohingya crisis.

The review has surveyed peer-reviewed literature on IGOs in South and Southeast Asia. There is considerable discussion of the political function of IGOs in reducing or mediating conflict, but much less on their role in the political economy of conflict. The literature is also skewed towards ASEAN as the longest-standing and most developed IGO in the region. The review is disability and gender-blind.

2. Background

IGOs and conflict

Intergovernmental organisations (IGOs) vary in their function, the obligations imposed on members, and degree of cohesion. The regional IGOs covered in this review focus variously on economic, cultural, political and other forms of cooperation. They vary in their significance to their members and the effectiveness of their actions.

Stubbs (2019) notes that **there is no single framework to evaluate regional institutions. Scholars use various measures to assess the effect of IGOs.** He outlines a division between sceptics of the effect of IGOs on conflict, which is often focused on military and economic power; and proponents of IGOs, which are often based on norms and socialisation. A further difficulty in assessing IGOs is that any assessment of their effect will rest on counterfactuals, e.g. without membership of the IGO, would states have increased their economic connections, or interstate discussion, anyway; and without such interactions would conflict be more likely (Kahler, 2012)? Many debates as to the role of IGOs in conflict therefore centre on whether a particular tension or conflict has occurred despite the effects of IGOs, or may have been greater in magnitude were it not for IGOs.

The type of conflict is one key factor to consider in any measurement of the effects of IGOs. While greater interdependence may reduce state-to-state military conflict, it may produce 'more low-level interstate conflicts' through increased trade (Kahler, 2012, p. 71). Moreover, IGOs will affect non-state actors differently to states, and cyber-security and terrorism often have different dynamics to state conflicts (Kahler, 2012, p. 74).

How success is measured is another important factor. Many of the 'conflicts' in the South China Sea are disputes over borders that have been inflamed in recent years by deliberate or accidental incursions by fishing boats or military vessels. Assessing the role of IGOs, or any other mechanism, in dealing with these conflicts therefore hinges on what constitutes a success: a resolution of the underlying dispute; an agreement on conduct in the area; or an informal de-escalation of rhetoric and provocations.

¹ <https://www.worldbank.org/en/news/infographic/2016/05/24/the-potential-of-intra-regional-trade-for-south-asia>

Debate on the nature of IGOs in Southeast Asia turns on the theoretical frameworks being used. In particular there is a split between 'realist' international relations scholars focused on military and economic power, and 'constructivists' focused on norms of behaviour (Stubbs, 2019). It is widely agreed that regional organisations in Southeast Asia are weak if defined in terms of formal institutional cooperation (Carroll et al., 2020, p. 8). However, broader definitions permit more positive interpretations based on informal agreement, the spreading of norms. In these interpretations, avoiding an issue (e.g. borders) to maintain other connections (e.g. trade) can be an effective strategy.

When assessing an IGO in the region, the wider ecology of actors and organisations should also be considered. The region's many overlapping institutions have been described as a 'noodle bowl' (Jones & Hameiri, 2020, p. 200). Many point to the role of the Great Powers in the region - the US and China in particular. For instance, Yates (2019) argues that ASEAN should be understood as a conductor linking American security power and Chinese economic investment. Members of the IGOs in this review are also members of other groupings. It is also argued that there are 'new modes of regional governance operating beyond sovereignty-usurping supranational bodies' (e.g. between ministries, regulators, central banks etc) have developed to deal with cross-border trade and supply chains. Their cooperation is often 'issue specific' and the effects are contested by interest groups, and therefore highly uneven (Jones & Hameiri, 2020). Thus, while organisations such as ASEAN may be doing little themselves in a particular area, cooperation may be occurring through another forum, from above or below, as part of a broader division of labour.

There are many causal pathways through which IGOs may affect conflict. International relations scholars argue that IGOs can influence state behaviour and conflict in several ways:

Economic interdependence. IGOs may increase economic interdependence and affect regional stability in a number of ways (Strachan, 2018). Interdependence may reduce the chance of conflict by increasing the cost of conflict. Policymakers or domestic interest groups may therefore mobilise against conflict (Kahler, 2012, p. 70). Economic interdependence means that sanctions become a viable way to show resolve to another state without resorting to military force (Kahler, 2012, p. 70). Interdependence and economic growth may change leaders' and public's foreign policy goals, and shift their focus to economic development than territorial disputes (Kahler, 2012, p. 70).

IGOs as forums. Forums, meetings and exchanges may perform Informational arbitrage to reduce information asymmetries between states that may otherwise encourage conflict risks (e.g. if states miscalculate others' intentions, capabilities or resolve (Kahler, 2012, p. 72). Membership of such a forum 'may also produce institutional substitutes for demonstrating resolve that are less costly than open conflict', such as threats of withdrawal or a speech (Kahler, 2012, p. 72). Membership of an IGO 'may impose exit costs' on any state that may otherwise seek to use force, or that other state fear might use force (Kahler, 2012, p. 73). IGOs may also change the preferences and identities of member states. They may 'socialise' member states towards certain norms of behaviour and conflict resolution (Kahler, 2012, p. 73).

Scholars debate the effectiveness of IGOs as institutions. In particular, there is debate as to the relative merit of formal rules and agreements, versus implicit understandings. For instance, Xinbo (2020, p. 98) argues that East Asians focus on the role of institutions in enabling actors to socialise, and implicit understandings, rather than the formal documents favoured in the West.

Conflict in Asia

Avis finds 'conflicts have become more complex and protracted often linked to global challenges from climate change to human trafficking' (Avis, 2020). In South and Southeast Asia there are a number of disputes over resources and borders, which have led to low-level conflict and have the potential to create larger conflicts. These include India and Bangladesh disputes over water, India and Pakistan over control of the Indus and the Baglihar dam, and the Nepali/Indian blockade (Avis, 2020, p. 11). These disputes over water have the potential to lead to significant conflict in the coming years. Conflicts between ASEAN states have flared up since the 2010s, while Chinese activity in the South China Sea has increased since 2012, and military spending has increased in the region (Wezeman, 2019, p. 4).

Many of the tensions or conflicts in the region are underpinned by economic disputes. For example, oil reserves are at stake in disputes over the Bangladesh-Myanmar border, while the South China Sea is home to hydrocarbon reserves and fish. As well as natural resources, many of these conflicts are based on nationalism and mistrust, and are not therefore possible to resolve with economic integration alone. India and Pakistan have disputed the provinces of Kashmir since their formation in 1947, while the persecution of the Rohingya centres on ethnic and religious hatred.

Economic integration has given rise to a number of non-traditional security concerns which cross borders. These include climate change, infectious diseases, migration, food shortages and transnational crime (Xinbo, 2020). Serious and organised crime also plays a role in border conflict in South and Southeast Asia. For example, smuggling interacts with conflict on the Thailand-Malaysia border, the Myanmar-China border, the Myanmar-Bangladesh border and the (maritime) Indonesia-Philippines-Malaysia borders (Avis, 2020, p. 12).

Climate change is likely to have particularly significant impacts in South and Southeast Asia because of shared water resources and long coastlines, among other things. It will lead to changed availability of water (e.g. exhausted water sources), rising sea levels, reduced food security, and changes in weather patterns, among others (Islam & Kieu, 2020; Overland, 2017). It will therefore affect international relations in the area by (Overland, 2017):

- Changing climatic conditions leading to humanitarian crises, migration, and/or a need for greater imports of vital goods.
- creating a need for more 'international coordination and cooperation' to reduce greenhouse emissions.
- A change in global energy policy leading to 'an altered geopolitical situation'.

Islam and Kieu (2020, p. 6) set out several roles that IGOs can perform in addressing food security problems: regulating markets; internal supply to enhance supply and buffer against global price volatility; cooperation and good governance; policies to increase food production; protection of marginalised communities.

Regional organisations in South and Southeast Asia

ASEAN

The Association of Southeast Asian Nations (ASEAN) is an intergovernmental organisation facilitating economic growth, peace and stability, and technical collaboration and cultural collaboration, among its members. Its members are: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam.² It was founded in 1967.

ASEAN began as a political organisation primarily focused on preventing the spread of communism. It has since taken on economic functions. Its instruments for dealing with conflict include:

The 1976 Treaty of Amity and Cooperation (TAC) is the most significant document on ASEAN's conflict policy. The treaty is based on the following principles:

- Mutual respect for the independence, sovereignty, equality, territorial integrity, and national identity of all nations;
- The right of every State to lead its national existence free from external interference, subversion or coercion;
- Non-interference in the internal affairs of one another;
- Settlement of differences or disputes by peaceful manner;
- Renunciation of the threat or use of force; and
- Effective cooperation among themselves.

ASEAN also has a **High Council** for mediation. However, a clause means that the Council can only rule on a dispute if all parties agree to its use (Emmers, 2019, p. 87).

The **ASEAN Free Trade Area (AFTA)** was announced in 1992. It is a trading bloc specifying preferential tariff rates for ASEAN members (with longer timeframes for some members). The **Chang-Mai Initiative** is a currency swap agreement in case of financial crisis and involved ASEAN and Japan, South Korea and China.

The **ASEAN Political and Security Community (2009)** is a recent initiative wherein 'members of the Community pledge to rely exclusively on peaceful processes in the settlement of intra-regional differences and regard their security as fundamentally linked to one another and bound by geographic location, common vision and objectives. It has the following components: political development; shaping and sharing of norms; conflict prevention; conflict resolution; post-conflict peace building; and implementing mechanisms.'³

Terrorism in the region is concentrated in areas where borders are disputed (Borelli, 2017, p. 17). The 2007 legally binding **ASEAN Convention on Counter-Terrorism (ACCT)** was completely ratified in 2013 (Tan & Nasu, 2016). The **2009 ASEAN Comprehensive Plan of Action on Counter Terrorism** included adherence to UN counter-terrorism resolutions and implements,

² <https://asean.org/asean/about-asean/>

³ <https://asean.org/asean-political-security-community/>

mechanisms for intelligence exchange, and social change to address the root causes of terrorism (Tan & Nasu, 2016). ASEAN states have taken very different approaches at the national level, however (Tan & Nasu, 2016, p. 1233).

ASEAN is also part of the **ASEAN Regional Forum (ARF)**⁴ and ASEAN Plus 3.⁵

SAARC

The **South Asian Association for Regional Cooperation (SAARC)** is an intergovernmental organisation of states in South Asia. Its member states are Afghanistan, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka.⁶ It was founded in 1985. It is focused on economic cooperation rather than political functions.

Initiatives under SAARC include the Committee on Economic Cooperation (CEC) in 1991, SAARC Preferential Trading Arrangement (SAPTA) in 1995, the South Asian Growth Quadrangle (SAGQ) in 1997, the South Asian Sub-regional Economic Cooperation (SASEC) in 2001, South Asian Free Trade Area (SAFTA) in 2004, and SAARC Agreement on Trade in Services (SATIS) and SAARC Development Fund (SDF) in 2010 (Sudan, 2020, p. 10). The South Asian Preferential Trade Agreement (SAPTA) was signed in 2004 and aimed to create a free trade area by 2017. However, Indian and Pakistani mutual suspicion have prevented its implementation (Chakma, 2018).

A regional convention on the suppression of terrorism was signed at the Kathmandu Summit in 1987 and it adopted a Convention on Mutual Legal Assistance in Criminal Matters, although this was not ratified by Pakistan. The SAARC Arbitration Council deals with commercial disputes and not resource or political disputes.

BIMSTEC

The **Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)** is an international organisation of Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand. It was founded in 1997. It is based on cooperation on 'sectors': trade, technology, energy, transport, tourism and fisheries, agriculture, public health, poverty alleviation, counter-terrorism, environment, culture, people to people contact, and climate change.⁷

Its cooperation on conflict-related issues includes the BIMSTEC Convention on Cooperation in Combating International Terrorism, Transnational Organized Crime and Illicit Drug Trafficking,⁸

⁴ <https://www.dfat.gov.au/international-relations/regional-architecture/asean-regional-forum-arf>

⁵ ASEAN, China, Japan and South Korea.

⁶ <https://www.saarc-sec.org/index.php/about-saarc/about-saarc>

⁷ <https://bimstec.org/>

⁸ <https://mea.gov.in/bilateral-documents.htm?dtl/5070/BIMSTEC+Convention+on+Cooperation+in+Combating+International+Terrorism+Transnational+Organised+Crime+And+Illicit+Drug+Trafficking>

which was adopted in 2009. A BIMSTEC Convention on Mutual Assistance in Criminal Matters and Convention on Human Trafficking are awaiting ratification.⁹

Other organisations

The influence of each of ASEAN, SAARC and BIMSTEC can be lessened by their members' ability to join other regional organisations or preference for bilateral ties. For instance, India has shifted its favour from SAARC to BIMSTEC. It is also involved in the BCIM or 'Bangladesh, China, India and Myanmar' group and the South Asia Subregional Economic Cooperation' (SASEC) comprising Bangladesh, Bhutan, India, Maldives, Myanmar, Nepal and Sri Lanka,' and 'the Bangladesh, Bhutan, India and Nepal (BBIN) 'Growth Quadrangle', as it looks to 'Act East' (Chakma, 2018). This policy largely consists of 'general statements of intent' so far (Wezeman, 2019, p. 6). Pakistan by contrast has deepened its economic and military links with China and has pushed for the latter to join SAARC, for example. Chakama (2018) therefore points to 'sub-regionalism' and 'cross-regionalism'. Wezeman (2019) notes the trend for ASEAN countries to develop separate defence policies. Such moves may undermine, or complement, the effectiveness of IGOs, depending on one's view.

Many of the countries in ASEAN, BISTEM and SAARC are also members of other regional organisations such as the Shanghai Cooperation Organisation (SCO), or Asia Pacific Economic Cooperation (APEC). ASEAN and China, Japan and South Korea constitute ASEAN+3 (APT). APT co-operates on finance issues, free trade and similar issues (Xinbo, 2020). The Indian Ocean Rim Association (IORA) aims to foster economic cooperation in the region. It has members from East Africa, South Asia, Southeast Asia and Australia. The East Asian Summit (EAS) features the members of ASEAN, Australia, New Zealand, India, South Korea, Japan, Russia and the US to discuss security issues.

Outside actors such as the US, the EU, Japan and China have significant security and economic links with the region. For instance, the US conducts 'freedom of navigation' exercises in the South China Sea and maintains links with countries in the region as a strategy to contain Chinese expansion (Wezeman, 2019, p. 5). Chinese investment, including through the Belt and Road initiative, is a key diplomatic tool in the region.

The table and figure below present a list of some of the regional organisations in this study. They are not comprehensive and, for example, do not include trans-Pacific organisations such as APEC, or Shanghai Cooperation Organisation involving Russia and China, or multinational economic projects such as the Belt and Road Initiative. They also do not account for forms of economic cooperation such as 'regulatory regionalism' (Jones & Hameiri, 2020), or bilateral forms of cooperation.

⁹ https://bimstec.org/?page_id=288

Table 1: Membership of some of the regional organisations in South and Southeast Asia.

Country	ASEAN	SAARC	BIMSTEC	APT	BBIN
Indonesia	X			X	
Malaysia	X			X	
Philippines	X			X	
Singapore	X			X	
Vietnam	X			X	
Thailand	X		X	X	
Brunei	X			X	
Cambodia	X			X	
Myanmar	X		X	X	
Laos	X			X	
Afghanistan		X			
Bangladesh		X	X		X
Bhutan		X			X
India		X	X		X
Pakistan		X			
Sri Lanka		X	X		
Maldives		X			
Bhutan			X		
Nepal			X		X
China				X	
S Korea				X	
Japan				X	

Source: Author's own, data taken from <https://asean.org/>, <https://bimstec.org/>, <https://www.saarc-sec.org/>, <https://asean.org/asean/external-relations/asean-3/>

3. Regional organisations

ASEAN

Since the 1990s, security cooperation has increased among ASEAN members. Xinbo analyses the security dynamics in East Asia. This consists of the 'level of mutual trust among nations, the relative convergence or divergence of countries' national interests, security links, and regional security arrangements' (Xinbo, 2020, p. 108). Cold War animosities between states, the strong role of the US in the region meaning most states sought to deal with Washington rather than each other, fears over the rise of China, and an absence of security cooperation mechanisms in ASEAN (Xinbo, 2020, p. 109). However, in the post-Cold War era, ASEAN sought to establish new regional mechanisms, such as the ASEAN Regional Forum (ARF), to promote security cooperation.

Scholars debate the effectiveness of ASEAN in preventing or mediating conflict in Southeast Asia (Stubbs, 2019). There has been a fall in conflict in the region since the 1970s, which some attribute to the influence of ASEAN. However, others point to a global trend for reduced inter-state conflict, or the role of the balance of power between countries such as the US, the USSR, Japan and China in creating stability in the region (Stubbs, 2019). Moreover, unresolved border conflicts that flare up from time to time, and growing 'tensions' between China and other countries since the 2010s, mean this trend is far from settled (Wezeman, 2019).

Yates (2019) argues that ASEAN has played a significant role in maintaining order in Southeast Asia since the 1970s. He argues that the US provides security goods, and China increasingly provides economic goods through the Belt and Road Initiative, while ASEAN provides 'diplomatic leadership' and acts as a 'regional conductor' - lacking its own instruments, it nevertheless provides a framework of norms and institutions for the region. Yates argues that ASEAN's evasion of conflicts, non-interference and promotion of economic governance has been positive. At the end of the Cold War, ASEAN developed and led the ASEAN Regional Forum (ARF) and led regional security dialogue. It also set up the ASEAN Plus Three (APT), East Asia Summit (EAS) and the ASEAN Defence Minister's Meeting Plus (ADMM-Plus). This dialogue included Great Powers, and shifted ASEAN to include the Asia-Pacific region as well (Yates, 2019).

In addition to a lack of hard power, sceptics point to ASEAN's lack of formal institutional arrangements on security issues. ASEAN does not specify accession rules, and has no procedures to remove a country (Kahler, 2012). It does not have a democratisation agenda like the EU and it has few enforceable rules (Stubbs, 2019).

Proponents of the IGO highlight the value of the 'ASEAN way'. It is agreed that ASEAN does not seek to resolve large disputes, instead focusing on informality, consensus and non-interference in states as part of what is often called the ASEAN way (Stubbs, 2019, p. 935). Emmers (2017, p. 82) argues that the TAC shows that ASEAN's approach to security is focused on 'consensus building and conflict avoidance', rather than solving disputes. ASEAN sets aside thorny issues and instead opts for a 'minimalist approach' (Sridharan, 2008). Some adjudge this an effective strategy: 'ASEAN has helped to keep the region free of violent hostilities and prevent disputes from escalating into a full-blown war. It has done this by relying on diplomacy conducted on the sidelines of ASEAN meetings away from public gaze. It has also avoided the use of coercive strategies to ensure regional order' (Sridharan, 2008). Scholars emphasising the value of IGOs in

spreading norms argue that ASEAN helped 'socialise' China 'to take up a positive role in regional and global relations and join key regional institutional arrangements such as the ASEAN Regional Forum' (Stubbs, 2019).

One potential drawback of the ASEAN way is that there is limited transparency on ASEAN defence spending and planning. This may raise the risk of 'misunderstandings' about weapons acquisitions and what states consider to be 'red lines' (Wezeman, 2019, p. 46). One of the many border conflicts in the region could easily lead an incident between military ships or planes to escalate. In this view, more transparency and formal mechanisms would reduce the chance of conflict.

ASEAN has not solved conflicts in the sense of resolving disputes over borders and sovereignty. Emmers notes that while ASEAN 'has contributed to conflict avoidance, the Association has so far failed to conduct conflict resolution in spite of the ASEAN Political and Security Community initiative' (Emmers, 2017). Other scholars argue that the avoidance of conflicts, through means such as the development of norms and informal agreements, is in itself an effective strategy.

Some scholars highlight ASEAN members' unwillingness to cede sovereignty, or to cooperate with each other, as a limitation. Emmers argues that ASEAN is not a security community because of mistrust between members (Emmers, 2017). Evidence for this includes that 'members have also maintained national security policies in which other participants are still perceived as potential enemies' (Emmers, 2017, p. 87) and that senior policymakers show animosity over border disputes, movement of goods, transnational crime, terrorism, and mistrust of other ASEAN members (Roberts quoted in Emmers, 2017).

Moreover, ASEAN has failed to present a united front to China, with whom many ASEAN members contest territory in the South China Sea. It is argued that the group is divided by China's diplomacy and reliance on its investment, and unlikely to have an effective role mediating US-China conflicts (Beeson, 2019, p. 250; Stubbs, 2019, p. 929).

As stated in the background section, economic interdependence can raise the costs of war and thereby shift the preferences of elites and citizens within states away from conflict (Kahler, 2012). ASEAN has a number of initiatives to increase economic integration in the region. For example, the Free Trade Area in 1994, the ASEAN Framework Agreement on Services (AFAS) in 1995, the ASEAN Investment Area (AIA) in 1998 and the ASEAN Economic Community (AEC) in 2015. The region has 'seen intra-regional trade increase from 17% in 1990 to 25% in 2017' (Stubbs, 2017). While there has been growth, there are questions as to whether it can be attributed to ASEAN, and how significant it is (Stubbs, 2019).

There has been considerable foreign direct investment and overseas aid into the region as it has integrated into the world economy. It can be argued that this economic success has acted as 'positive feedback' and helped 'institutional thickening' of ASEAN. Regional manufacturing supply chains and investment have helped develop, and been facilitated by, ASEAN networks (Stubbs & Mitrea, 2017, p. 400).

Intra-regional trade has grown to around 25% of its total trade. This is more than South Asia, where the figure stands at about 5%, but remains below integration in the EU.¹⁰ Overall, 'the average preferential tariff rate on intra-ASEAN trade declined from more than 20% in 1990 to 0.64% in 2015'. However, non-tariff barriers have increased in the same period (Sudan, 2020, p. 5). There are limitations to ASEAN economic integration and the group 'has not succeeded in deeper economic integration, affecting factor markets and a common macroeconomic policy regime, and it has been unable to develop a set of emergency support mechanisms' (Sudan, 2020, p. 6). ASEAN's non-interference principles are one reason it is less economically integrated than the EU, and why progress on integration has taken time. In addition, the countries of ASEAN have very different economies and regulatory environments, as well as key domestic interests favouring protection in some countries, all making integration harder (Jones & Hameiri, 2020, p. 219; Sudan, 2020). ASEAN members can also integrate through other regional forums such as APRC or the Trans-Pacific Partnership, and ASEAN countries have significant trade links with other countries in Asia and around the world (Sudan, 2020, p. 9).

Some therefore argue that ASEAN's Asian Free Trade Area (AFTA) has not had a significant effect on trade interdependence among members with respect to the possibility of reducing conflict risk (Kahler, 2012, p. 78). Neither have economic ties been used to address conflicts. ASEAN has sought to keep economics and security separate, by not allowing disputes to disrupt trade and not using sanctions to influence conflicts (Kahler, 2012).

By contrast, Xinbo points to a 'spillover effect' from economic to security cooperation: 'as countries pursue substantive economic cooperation, they begin to develop and observe common rules and norms in the political-security realm that shape their behaviour and reduce the risk of conflict' (Xinbo, 2020). In addition to a more integrated economy, the effect of events such as terrorist attacks or epidemics such as SARS spurred Asian countries to greater co-operation on non-traditional security matters. Focusing on the APT (ASEAN + China, Japan and South Korea), Xinbo argues there has been meaningful cooperation on security issues in the last few decades.

Examples

Following the coming to power of the Khmer Rouge in Cambodia in the late 1970s, ASEAN worked against Vietnamese invasion and pushed for a 'neutral' Cambodia in agreement with China (Kahler, 2012; Yates, 2019). According to Yates, this meant that 'ASEAN would take primary responsibility for managing order in mainland as well as maritime Southeast Asia' (Yates, 2019).

However, **ASEAN members have chosen to resolve disputes separately from ASEAN mechanisms on several occasions.** The Preah Vihear dispute between Thailand and Cambodia centred on the border near an ancient Hindu temple is an example of ASEAN's role (Avis, 2020). ASEAN initially aimed to prevent outside powers from getting involved and Singapore, the ASEAN chair, pressed Cambodia not to take the dispute to the UN Security Council (UNSC) in 2008. Thailand was ASEAN chair in 2009 and nothing was done. In 2011, Cambodia took the dispute to the UNSC who referred the dispute to ASEAN. Emmers (2017) argues that ASEAN would not have intervened if the UNSC had not forced its hand. When

¹⁰ <https://www.worldbank.org/en/programs/south-asia-regional-integration/trade>

ASEAN did intervene, the intervention was largely undertaken by Indonesian 'shuttle diplomacy' outside of ASEAN. He argues that the conflict shows ASEAN members' lack of trust in the organisation's dispute resolution capacity: 'Thailand preferred to settle the conflict on a bilateral basis, while Cambodia turned to the UN' (Emmers, 2017).

Singapore and Malaysia dispute the island of Petra Branca/Pulau Batu Puteh. They submitted their claim to the International Court of Justice (ICJ) in 2007. Indonesia and Malaysia also resolved their dispute over Sipadam and Ligitan via the ICJ (Emmers, 2017, p. 89). This suggests that ASEAN is not the primary forum for conflict resolution in the region.

There are numerous conflicts over the South China Sea. They include conflicts between China and the Philippines, China and Vietnam, Brunei and China, China and Indonesia, China and Malaysia, the Philippines and Taiwan, the Philippines and Vietnam, and Taiwan and Vietnam (Green, 2016, pp. 3–4). In many of these conflicts, China is in dispute with an ASEAN member. Conflicts have been stirred in recent years by island building as a way to claim territory.

The role of ASEAN may be understood in several ways. Green (2016) argues that the costs of conflict in the South China Sea are high and may increase with more economic integration in the region. He suggests that increased 'regional economic cooperation can be an alternative to the present conflicts' as economic growth raises the costs of conflict (Green, 2016). Green discusses the role of economic integration, including organisations like the ASEAN Economic Community, Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area, the Greater Mekong Subregion and the Indonesia-Malaysia-Thailand Growth Triangle, among others. A conflict or diplomatic rupture would also make it hard for China to be involved in rule making on standards for goods, services, tariffs and customs (Green, 2016, p. 49)

However, the balance of trade between China and individual ASEAN countries means that China is at an advantage economically. As of 2010, trade flows between China and various ASEAN countries represented far higher proportions of ASEAN countries' GDP than China's. This suggests ASEAN countries have more to lose than China in any conflict that disrupts trade (Green, 2016, p. 40).

In addition, ASEAN countries do not present a united front against China on behalf of their members. All disputant countries in South China Sea have significant economic ties to China. However, several ASEAN members with no stake in the South China Sea dispute also have significant economic ties to China (Cambodia, Laos, Myanmar, Singapore and Thailand). From this, Green concludes that ASEAN is 'unlikely to take sides in any South China Sea dispute' (Green, 2016, p. 48).

ASEAN states and China signed the 'Declaration on the Conduct of Parties in the South China Sea (DOC) in November 2002. It is based on a 1992 ASEAN declaration on the South China Sea that sought to develop an informal code of conduct. Emmers (2017) argues that it is based on conflict 'avoidance and prevention rather than resolution' and does not touch on questions of sovereignty. Despite working groups, there has been little progress on the implementation of the DOC since 2002.

Emmers (2017) argues that ASEAN members' mutual mistrust has prevented them from presenting a united front against China's claims in the South China Sea. ASEAN has sought to avoid discussing the issue, and members have sought to resolve disputes outside of ASEAN. For

instance, most states involved in Spratly Islands dispute have acted without consultation of ASEAN. In 2012, the ASEAN chair Cambodia refused to make reference to a dispute over Chinese fishing boats in Philippines waters as it said it was a bilateral dispute. It also rejected Vietnam's calls for a statement on Exclusive Economic Zones. A later statement on the South China Sea was 'watered down' and did not mention the incidents.

Xinbo, by contrast, sees signs of progress in the DOC and similar initiatives. He points to some positive cooperation in the South China Sea including dialogues, and ASEAN-China working group on the DOC and cooperation projects such as 'disaster prevention and mitigation, marine search and rescue, and marine scientific research in the South China Sea' (p. 106). Although the tensions in the sea worsened after 2009, with several high-profile incidents, the actors nevertheless sought to show restraint. For example, Beijing deployed fishery rather than military boats to stake its claims. However, on other occasions in recent years, China has deployed military and security forces to stake its claims to territory (Wezeman, 2019, p. 4). Xinbo argues that this is because China and ASEAN are partners in the region. Moreover, Asian countries are considering adopting a 'Regional Code of Conduct in the South China Sea, a legally binding document that would augment the nonbinding declarations in the DOC ' (Xinbo, 2020, p. 108). This would not resolve sovereignty disputes, but it shows the willingness of the states to act in a restrained manner (Xinbo, 2020).

Non-traditional security

ASEAN terrorism cooperation follows the pattern of its political cooperation in being based on informal discussion rather than formal agreements. ASEAN therefore has developed rhetoric against terrorism, but no 'concrete frameworks' (Emmers, 2017, p. 93). The ASEAN Convention on Counter-Terrorism (ACCT) is the primary counter terrorism (CT) instrument. It not the 'dominant forum' for CT issues and states prefer to work bilaterally (Borelli, 2017). Many of its provisions, such as a regional intelligence database, have not been implemented (Borelli, 2017).

However, given that each ASEAN country has its own security systems based on recent armed struggles, which imposes limits of regional harmonisation of measures, ASEAN measures can be interpreted more positively as 'socio-political structures in which ASEAN can engage in mutual social persuasion and forge deeper intra-regional co-operation' (Tan & Nasu, 2016, p. 1238).

Organised crime has been unintentionally helped by free trade agreements and connectivity initiatives (UNODC, 2019, p. 15). Many of these, such as the Belt and Road initiative, are separate from ASEAN. ASEAN governments have not invested sufficiently in security and 'a fully operational framework for tackling cross-border crime does not yet exist (UNODC, 2019, p. 16). However, the main anti money laundering and terrorist financing body is the Asia Pacific Group on Money Laundering (APG), which is an affiliate of the Financial Action Task Force (FATF), and has been effective in implementing FATF guidance on counter-terrorist finance measures (Jones & Hameiri, 2020).

ASEAN has signalled that tackling climate change is a priority for security reasons and carried out a number of initiatives to act on the issue. The ASEAN Climate Change Initiative (ACCI) is a platform for coordination and cooperation. It also has an Action Plan on Joint Response to Climate Change, as well as food security frameworks: ASEAN Integrated Food Security (AIFS) Framework and the Strategic Plan of Action on Food Security for the ASEAN Region (SPA-FS).

However, beyond non-binding declarations and frameworks, ASEAN countries have generally taken relatively little action on climate change. There is more that ASEAN could do to stimulate action and cooperation among its members. One difficulty is the varying levels of socio-economic development among its members (Overland, 2017). The 'ASEAN way' of cooperation focused on non-interference and the weak powers of ASEAN is also cited as a reason for a lack of progress. In addition, ASEAN countries are focused on their own economic development and unwilling to sacrifice these short-term gains for environmental goals (Islam & Kieu, 2020, p. 17).

ASEAN's non-interference has led to it say little on the Rohingya crisis. Malaysia, a predominantly Muslim ASEAN member, has spoken out about Myanmar's human rights violations. However, there exists no regional policy to deal with such issues and ASEAN does not have the instruments to enforce one (Shivakoti, 2017).

SAARC

SAARC was created primarily as an economic body (Mukherjee, 2014, p. 377). It aims to rectify the fact that there is little intra-regional trade in South Asia.¹¹ Overall, however, South Asia 'has an abysmal record on intra-regional trade' (Sudan, 2020, p. 10).

Some of the biggest barriers to economic integration are political. India-Pakistan tensions, and power asymmetry between India and other SAARC members, are key reasons for the lack of economic integration (Sudan, 2020). It is therefore not possible to attribute any positive role in conflict reduction through economic integration to SAARC, beyond pointing to the potential.

India-Pakistan relations are also behind the fact that SAARC has done little to deal with regional conflicts and has 'played no role in managing these conflicts and its progress has been marred because of them, as seen in the case of stalled summits and cancelled meetings' (Sridharan, 2008, p. 9). In fact, 'Article X (2) of the charter expressly excludes bilateral and contentious issues from SAARC's ambit' (Sridharan, 2008, p. 12).

Rivalry between India and Pakistan has undermined SAARC's cooperation (Ahmed et al., 2019, pp. 18–19). For instance, India did not attend the 2016 SAARC summit, leading to its collapse, citing concerns about Pakistan. India is seen to be lukewarm about SAARC. It wants greater economic integration, whereas Pakistan wants political problems solved first (Sridharan, 2008). Domestic conflicts, such as secessionist movements in India and Islamic terrorism in Pakistan, have also diverted these countries attention from regionalism (Mukherjee, 2014). In addition, South Asia has a weaker regional identity, partly because of mistrust against India (Mukherjee, 2014)

Non-traditional

SAARC has identified climate change as a problem to act upon. Climate change has the potential to cause conflict in the region, intensifying disputes over water sources such as the Indus. From 2007, SAARC developed the SAARC Action Plan on climate change, which identifies areas for cooperation and capacity building between members (Islam & Kieu, 2020, p.

¹¹ <https://www.worldbank.org/en/programs/south-asia-regional-integration/trade>

9). It also set up a 'Technical Committee on Environment that aimed to identify measures and recommendations on conservation of natural resources, biological diversity, alternative fuels, greenhouse gas emissions, rising sea levels, increased water salinity, and changes in rainfall patterns' (Islam & Kieu, 2020, p. 9).

However, there is little evidence that SAARC's climate change initiatives are effective.

Islam and Kieu (2020, p. 13) argue that 'there are signs of a lack of political will among member states, as regional initiatives have mainly centred on preliminary approaches such as the opening of endorsements, agreements, and cooperative avenues to monitor and share practices regionally'. They do however point to 'potential for cooperation' among SAARC states. They argue that external organisations such as charities or bilateral initiatives are currently proving more effective at developing responses to food insecurity. They highlight mistrust and existing conflicts between members as a cause of the lack of commitment to tackle climate change and its effects in the region (Islam and Kieu, 2020, p. 17). Water is likely to be a source of conflict in the SAARC region in future. However, SAARC 'is yet to work towards equitable sharing and efficient use of regional waters in South Asia' (Pulla et al., 2018). Refugee flows present a major challenge to SAARC countries (Ahmed, 2018). Ahmed argues that the disputes, members' preference for bilateralism and unwillingness to sign binding agreements, means the most effective approach is for 'SAARC to allow sub-regionalism' on the issue.

BIMSTEC

BIMSTEC aims to rectify the fact that the Bay of Bengal is 'one of the world's least integrated regions' (Xavier, 2018). BIMSTEC complements India's policies: Neighbourhood First, Act East, and economic development of northeastern states. The organisation gives India an alternative to SAARC, which is often held back by disputes between India and Pakistan (Xavier, 2018). India prefers BIMSTEC to SAARC because it believes SAARC is 'jammed' by Pakistan. BIMSTEC also meshes with India's Act East policy (Chakma, 2018).

BIMSTEC is seen to be more balanced by SAARC in that it includes two influential powers, Thailand and India (Bhattacharjee, 2018). Nevertheless, it has few concrete achievements and is under-resourced (Bhattacharjee, 2018). BIMSTEC does little to address regional disputes or security issues. Xavier (2018) argues that it should aim to provide informal discussions and formal mediation on disputes, should work to keep the Bay of Bengal open, and should empower its secretariat, among other things.

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Acknowledgements

We thank the following experts who voluntarily provided suggestions for relevant literature or other advice to the author to support the preparation of this report. The content of the report does not necessarily reflect the opinions of any of the experts consulted.

- Robert Yates, Bristol University
- Ralf Emmers, Nanyang Technological University
- Richard Stubbs, McMaster University

Key websites

- ASEAN: <https://asean.org/asean-political-security-community/>
- SAARC: <https://www.saarc-sec.org/index.php/about-saarc/about-saarc>
- BIMSTEC: <https://bimstec.org/>

Suggested citation

Kelly, L. (2019). Regional organisations and the political economy of conflict in South and South-East Asia. K4D Helpdesk Report 920. Brighton, UK: Institute of Development Studies.

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