

Chapter 5

Southeast Asia— Signs of a Changing Myanmar Problem

The government of Myanmar, which is seeking to transition to a civilian-led government, adopted actions in advance of the general election expected to be held in 2010 that can be seen as an attempt to exclude the influence of pro-democracy leader Aung San Suu Kyi. Although the Association of Southeast Asian Nations (ASEAN) and the rest of the international community have not been successful in taking effective measures to ameliorate the situation, signs have emerged that the attitude of Myanmar's isolated military regime may change in response to the Obama administration's two-pronged policy of sanctions coupled with direct dialogue. In Indonesia, President Susilo Bambang Yudhoyono was reelected. Thus, in a little over a decade since Soeharto resigned the presidency, Indonesia has completed its transition to democracy and succeeded in building a stable government, which may allow the country to gradually assume an influential role not only within ASEAN but also globally. On the other hand, Thailand continued to be mired in the political chaos that arose in the wake of the coup d'état in 2006. In the Thaksin era, Thailand had launched forward-looking regional policies. Now, the political disorder in the country is having an adverse effect on the separatism problem in its southern provinces and on the resolution of its conflict with Cambodia, which in turn is diminishing Thailand's influence within ASEAN.

With the coming into force of the ASEAN Charter in 2008, member nations are working on the development of a system for a regional body that is aimed at realizing an "ASEAN Community" by 2015. However, in the areas of politics and security, there are still a number of hurdles to be overcome to advance cooperation substantially, not least in light of the principles of respect for sovereignty and noninterference in internal affairs. In the military sphere, in the wake of the deployment of the first submarine by the Royal Malaysian Navy, much interest is now being paid to the prospect of submarine acquisition by other Southeast Asian nations. In the meantime, efforts in the region to promote military cooperation in nontraditional security issues such as disaster relief have made progress.

1. Domestic Political Change in Southeast Asia

(1) Myanmar at a Crossroads—Dialogue with the United States; Nuclear Suspicions

In May 2009, the military regime in Myanmar—officially, the “State Peace and Development Council” (SPDC)—arrested and prosecuted pro-democracy leader Aung San Suu Kyi. Suu Kyi, who is general secretary of the National League for Democracy (NLD), was charged on May 14 with allowing a foreign national to stay overnight at her home without notifying the authorities, which is a violation of the “Law to Safeguard the State against the Dangers of Those Desiring to Cause Subversive Acts.” The incident goes back to May 3, when an US citizen named John Yettaw swam across Inya Lake to get to Suu Kyi’s residence on the lake’s opposite shore. He then illegally entered her compound and stayed a couple of nights. On May 5, he was discovered by state security personnel as he was swimming back across the lake and arrested. At a trial in special court which began on May 18, Suu Kyi’s lawyers claimed her innocence because she could not have prevented the trespass from occurring and that it happened because of inadequate security by the authorities. However, on August 11, the court handed down a three-year prison sentence, which the military regime immediately reduced to one year and six months of house arrest. Yettaw, on the other hand, was sentenced to seven years in prison, but his sentence was reduced by the SPDC to deportation and he returned to the United States accompanied by US Senator Jim Webb. Suu Kyi’s lawyers appealed her conviction to a higher court on September 3 but the appeal was rejected on October 2. On November 13, they appealed the case to the Supreme Court, which began deliberations on December 21.

Although it is not clear why Yettaw visited Suu Kyi’s villa, the SPDC has used the incident to detain her once again. Suu Kyi’s six-year term of house arrest had been scheduled to end in November 2009. This latest confinement is thus widely viewed as an attempt by the regime to deny her the chance to exert an influence on the 2010 general election (in addition, because Suu Kyi’s late husband was a foreign national, under the new constitution she does not have the right to hold public office). Although Suu Kyi’s arrest elicited loud criticism from the international community, the SPDC has waived the objections aside, saying that they amount to interference in the country’s internal affairs and that as the executive branch of government it cannot intervene in judicial matters.

The military regime seized power in a coup d'état in 1988. In 1990, in a general election held to return the government to civilian rule, the NLD, against all expectations, scored an overwhelming victory. The regime's response was to ignore the election results and hold on to power. It has remained in power since. In 2003, the SPDC formulated a seven-step "Road Map to Democracy," consisting of the following: (1) reconvening the National Assembly to draft and adopt a new constitution; (2) having the National Assembly determine the fundamental principles of the constitution; (3) writing a draft constitution; (4) holding a national referendum on the draft constitution; (5) holding free and fair multiparty elections based on the new constitution; (6) convening a new National Assembly; and (7) establishing a democratic nation run by democratically elected political leaders.

In May 2008, Cyclone Nargis made landfall in Myanmar, leaving behind catastrophic destruction. The military regime pushed ahead with the constitutional referendum on May 10, while the country was still climbing out from the wreckage of the disaster. As this action and the resulting approval of the constitution indicate, the regime has placed the highest priority on "realizing the transition to civilian rule through implementation of the Road Map," and appears to be implementing the required procedures. The global community has basically responded by calling on the military regime to allow all political parties, including the NLD, to participate in the process of transitioning to civilian rule. US Secretary of State Hillary Clinton, reacting to the arrest and prosecution of Suu Kyi, has demanded the immediate and unconditional release of all political detainees, including Suu Kyi. The European Union, at a meeting of its heads of state, also demanded her immediate release, threatening additional economic sanctions if she is kept under arrest. UN Secretary-General Ban Ki-moon also expressed grave concerns and said that Suu Kyi and all those who have a contribution to make to the future of their country "must be free to be able to do so." Ban visited Myanmar on July 3–4, 2009 and met with Senior General Than Shwe, Chairman of the SPDC, but was not permitted to see Suu Kyi. Following her guilty verdict in August, the UN Security Council (UNSC) debated a proposal by the United States that called for the condemnation of Myanmar's actions. However, due to opposition from China and Russia, and also from Vietnam and Libya, the proposal was scaled back to a press statement expressing serious concern about the situation.

ASEAN, through Thailand as ASEAN chair, also expressed grave concern about recent developments in a press conference in May. Then at the ASEAN

Ministerial Meeting in July, the foreign ministers adopted a joint communiqué calling on the government of Myanmar to immediately release all political detainees, including Suu Kyi. However, when Thailand proposed that ASEAN demand a pardon for Suu Kyi following the lower court decision, it ran into opposition from Vietnam and Laos, who considered the move to be interference in the internal affairs of Myanmar, and could not get member nations to agree.

With the international community unable to respond with a strong unified voice, a shift in US policy has become the key to changing the dynamics of the situation. On September 23, speaking at the UN Meeting of the Group of Friends on Myanmar, Secretary of State Clinton said that while sanctions would have to remain in place, the United States would engage in direct talks with Myanmar. She explained that this was in response to soundings from Myanmar on the possibility of such dialogue. On November 3–4, 2009, US Assistant Secretary of State Kurt M. Campbell visited Myanmar, where he met with Prime Minister Thein Sein and also with Suu Kyi. Campbell told officials in Myanmar that while the United States was prepared to take steps to improve the relationship, this would require reciprocal and concrete efforts by the government of Myanmar, and he urged the government to allow Suu Kyi more frequent interactions with senior members of the NLD.

US President Barack Obama, in a speech on US policy toward Asia that was delivered in Tokyo on November 14, said with respect to Myanmar that “neither sanctions by the United States nor engagement by others succeeded in improving the lives of the Burmese people. So we are now communicating directly with the leadership to make clear that sanctions will remain until there are concrete steps toward democratic reform.” Obama conditioned the lifting of sanctions on “the unconditional release of all political prisoners, including Aung San Suu Kyi, an end to conflicts with minority groups, and a genuine dialogue between the government, the democratic opposition and minority groups” and said that “a better relationship with the United States is possible” if the government takes

steps to bring about “a Burma that is unified, peaceful, prosperous, and democratic.” He followed this up with another call for Suu Kyi’s release at the first US-ASEAN Summit in Singapore on November 15, where he used the language from his Tokyo speech to make this appeal. Although there was no direct response from Prime Minister Thein Sein to this demand, there were reports that the prime minister conveyed his appreciation to Obama for the US policy of direct dialogue.

After Clinton’s remarks at the UN, Suu Kyi stated that she had no objections to the new policy of the United States and signaled her willingness to relent on her opposition to any lifting of sanctions against the current regime. On November 11, she sent a letter to Chairman Than Shwe requesting a meeting “to cooperate and work together towards lifting of the sanctions for the benefit of the nation.” She then resumed dialogue with the regime, meeting for the first time since January 2008 with Minister for Labour U Aung Kyi, who is the government’s official liaison with her—on three occasions, on October 3 and 7, and December 9. Finally, on December 16, she was allowed to meet with three members of the NLD Executive Committee, the first such meeting to take place since she was reincarcerated in 2003. These meetings were granted in response to a request that she made in her letter of November 11 to General Than Shwe.

Since Prime Minister Khin Nyunt was ousted from power in 2004, Myanmar has closed its channels of communication with the rest of the international community. The military leadership also appears, in light of its suppression of pro-democracy demonstrations in 2007 and its disregard of the cyclone’s impact on the nation when it pushed ahead with the constitutional referendum, not to put much stock in the “reactions of the international community.” That the regime is now interested in dialogue with the United States—a country that wields enormous influence in the formation of world public opinion toward Myanmar—is attributable not only to the change in US administrations but also to its sense of foreboding about the 2010 general election. This election must be recognized by the international community as “free and fair” in order for the transition to civilian rule to be accepted. If such recognition is not forthcoming, the sanctions will not be lifted. That said, however, there has as yet been no clear indication of the response of Chairman Than Shwe and other all-powerful senior members of the military government. It is unthinkable, given the structure of politics in Myanmar, that contact with the United States could take place without the chairman’s approval. Still, with the new constitution already approved, it is unclear whether

truly meaningful changes such as Suu Kyi's own participation in the election could occur hereafter or not. Our guess is that a compromise could still be reached whereby the regime offers to release Aung San Suu Kyi and other political detainees and to allow everyone in the NLD except Suu Kyi to participate in the election in exchange for a lightening of the sanctions.

Democratization and human rights abuses in Myanmar have been a major concern of the global community for over twenty years. This concern has become particularly acute since Myanmar joined ASEAN. Attempts by ASEAN to deal with the problem have exposed both the limitations of its influence and discord among member nations, making the issue one with potentially serious implications for the stability and future integration of the region. Although the new approach by the United States is a possible game changer, ultimately how the country runs its 2010 general election and how the rest of the world—Europe, the United States and ASEAN, as well as China, which is seeing its influence rise as Myanmar's international isolation grows—responds to those elections will determine whether there will be a soft landing on the Myanmar issue or not.

Another concern is Myanmar's relations with North Korea and fears surrounding its access to weapons of mass destruction. In June 2009, the press reported that the North Korean cargo ship *Kang Nam* might be making a port call in Myanmar. The US military was tracking the *Kang Nam* because of suspicions that it was carrying embargoed weapons. Myanmar announced beforehand that it would not permit the ship to enter port and, in fact, the *Kang Nam* did not put in in Myanmar. In May 2007, another North Korean freighter entered Yangon harbor and reportedly unloaded a shipment of small arms. The United States apparently suspects that, in addition to direct arms dealing between the two nations, Myanmar is providing transit services for weapons exports from North Korea to Syria and Iran. Then, in July 2009, it was reported that General Thura Shwe Mann, defense services chief of staff, had visited North Korea in November 2008, at which time he signed a memorandum on the development of closer military cooperation between the two countries and also inspected missile manufacturing facilities and other sites.

In August 2009, citing as its source Burmese refugees, an Australian newspaper reported that Myanmar, with North Korean cooperation, was building a nuclear reactor and plutonium extraction facility underground in the mountains to the north of the country with the aim of deploying nuclear weapons by 2014. Since 2002, Myanmar has also been cooperating with Russia on nuclear energy. In June

2007, the two countries signed a nuclear cooperation agreement under which Russia, in addition to helping Myanmar establish a nuclear research center—which would include a light water research reactor—would provide testing support and training of scientists, engineers and technicians. Myanmar informed the International Atomic Energy Agency of the agreement and said that it will place all nuclear materials, equipment, and installations that result from the arrangement under IAEA safeguards, declaring that these would not be used for military purposes. While there is no official confirmation of such uses, it would be a major problem if Myanmar turns out to be involved secretly in the development of nuclear weapons.

Although Myanmar and North Korea normalized relations in 2007, nothing about the military relationship between the two countries has been disclosed nor is it known what the countries intend to achieve by pursuing closer interchange. With few countries on good diplomatic terms with the military regime, one answer might be that Myanmar wants to diversify potential suppliers for its weapons procurement program. In terms of nuclear suspicions, it is possible that the military regime fears an attack by the United States (this fear is being cited by some as the reason for the regime's move of the capital inland to Naypyidaw) and wants nuclear weapons to strengthen its bargaining position against the United States. The fact is, however, that Myanmar is committed to a position of non-aligned neutrality and has affirmed that it will not be a threat to other countries. This has led the ASEAN nations and also Japan to support Myanmar at the United Nations and other forums, where they have argued that despite the seriousness of the situation in that country, it does not pose a threat to international peace and security. If Myanmar gains access to WMDs, however, regional security would clearly be at risk. Possession of nuclear weapons would also be in clear violation of the Southeast Asian Nuclear Weapon-Free Zone (SEANWFZ) Treaty, to which Myanmar is a signatory, and could lead to a debate within ASEAN on the expulsion of Myanmar from the association. The Myanmar issue would also suddenly emerge on the world stage as a security issue and, rather than dialogue with the United States and other improvements in its relations with the global community, Myanmar could end up with the opposite: a ratcheting up of international sanctions. This casts doubt on whether nuclear development could be called a rational option for Myanmar. At the ASEAN Regional Forum in July 2009, Myanmar said that it would be implementing sanctions under the UNSC resolution

condemning North Korea for its nuclear testing, a move that can be read as an indication that it is not imitating the North Korean approach of trying to increase its negotiating leverage by raising the level of the threat.

(2) Increased Stability in Indonesia following the Presidential Election

In April 2009, general elections for the 560-seat House of Representatives were held in Indonesia, Southeast Asia's largest country in terms of population and land area. Despite cases of violence in the days leading up to the election—the murder of an employee of a political party affiliated with the Free Aceh Movement in Nanggroe Aceh Darussalam Province and a deadly clash between police and members of the separatist movement in Papua Province, who were calling for a boycott of the election—voting took place in an atmosphere of overall calm on April 9. A count of the ballots, which was made on the same day, showed that the Democratic Party led by President Susilo Bambang Yudhoyono had captured roughly 20 percent of the vote, making it the leading party in parliament with 148 seats.

This set the stage for presidential elections in July. In Indonesia, only the top vote-getting parties in the parliamentary election qualify to field candidates in the presidential race (parties or coalitions that have won either 20 percent of the seats in the House of Representatives or more than 25 percent of the votes cast). Consequently, three candidates stood for election in July: President Yudhoyono; former President Megawati Soekarnoputri, from the Indonesian Democracy Party-Struggle; and former Vice President Jusuf Kalla, from the Golkar Party. In the election, which was held on July 8, President Yudhoyono captured close to 60 percent of the vote, which gave him victory without having to compete in a runoff election. President Yudhoyono and Vice President Boediono were inaugurated on October 20, officially launching the second Yudhoyono administration.

On July 17, immediately after President Yudhoyono was elected, Jakarta was hit by two suicide bombings, which occurred roughly simultaneously at and destroyed parts of two US-managed hotels, the JW Marriot Hotel Jakarta and the Ritz-Carlton Jakarta. The attack killed eleven people (including the terrorists) and injured more than fifty. Based on the configuration of an unexploded bomb recovered from the site, authorities suspected the involvement of Noordin Mohammad Top, a member of the radical Islamic group Jemaah Islamiya (JI),

who was a suspect in many other bombings as well, including one at the same JW Marriot Hotel in 2003. Unlike many JI members who have been captured, Noordin remained on the run. On September 17, his hideout near Solo in Central Java Province was raided at night by a special unit of the Indonesian National Police and Noordin and three other suspects were shot to death in a gun battle.

The results of the elections and the government's record of handling terrorism suggest a number of points, the first of which is that democracy in Indonesia has firmly taken root. President Soeharto's authoritarian regime, which ruled Indonesia for thirty years, fell in 1998 and in the decade or so since then the nation has made steady strides toward democratization. During this period, although Jakarta has had to deal with frequent terrorist attacks by JI and continual religious and ethnic strife, as well as increasingly violent separatist movements which caused many to fear "the breakup and Balkanization of Indonesia," there has been no backsliding in the process toward greater democracy and decentralization. Since 2006, alone among Southeast Asian nations, Indonesia has been rated "Free" by Freedom House, an international non-governmental organization (which also assigns ratings of "Partly Free" and "Not Free"). And, unlike during the Soeharto era, when the military was also an important political player, the military's apolitical status now appears to be entrenched in Indonesian society.

The second point is that secularism has remained dominant and that the possibility of Islamic radicalism becoming a mainstream political force has declined. With democratization came a lifting of restrictions on political parties, which allowed religious political parties to come into being, and in the general election of 2004 many Islamic political parties entered the fray. President Yudhoyono's Democratic Party, governing as a minority party after that election, had to form a coalition, leading many to fear that Indonesia would tilt politically toward greater Islamization. The results of the election of 2009, however, may be seen as a strong vote of confidence in the secular political course laid out by the Yudhoyono administration—with its emphasis on the continuation of reform and on building the Indonesian economy. Again, the Yudhoyono administration's ability to deal with the recent suicide bombings in a calm and deliberate manner, along with the fact that extremist policies did not resonate in the public mind, indicates a maturation of Indonesian society.

Third, the 2009 elections and the government's effective responses to terrorism point to a remarkable improvement in Jakarta's antiterrorism capabilities.

Indonesia's ability to maintain law and order had been in decline since Jakarta, seeking not to repeat the mistakes of the Soeharto regime's authoritarian rule, separated the police from the military—resulting in an under-resourcing of the police force in terms of manpower and finances. The Bali bombings of 2002 changed this. Working with the international community, Indonesia responded with a sustained effort to improve its investigative and policing capabilities toward terrorism. The special police unit known as “Detachment 88,” which was established with the comprehensive backing of the United States and Australia, is now the principal antiterrorism unit of the national police and has achieved success in its search-and-destroy missions against the JI. Although Jakarta was unable to prevent the latest bombing attack, it apprehended suspects relatively quickly afterward and the killing of Noordin, in particular, gave the police a significant victory in its fight to contain JI.

With a population of 200 million people, around 90 percent of whom are Muslim, Indonesia is the nation with the world's largest Islamic population. Indonesia's ability to maintain policies of religious moderation and tolerance and to achieve economic development under a system of democracy has important implications for the security not only of Southeast Asia but also of East Asia and the rest of the world. The country appears to have successfully taken its first steps in that direction and it is showing signs of regaining the confidence and the international trust that it lost in the Asian currency crisis of 1997. Indonesia, we believe, will next focus on ASEAN, working discreetly to reestablish its claim to be called “ASEAN's leading nation,” by virtue of its being the region's major power and leading democracy. It will have the ability, most significantly, to deepen its involvement in Myanmar because President Yudhoyono, a former military general, is on friendly terms with the leaders of the military regime and because Myanmar can learn from Indonesia's experience in transitioning to civilian rule. On a parallel track, Indonesia could emerge not only as a regional power representing Southeast Asia but also as a major country with a role to play globally—because it is a nation with the world's largest Muslim population, it is a newly emerging democracy, and it is a member of the G20.

In light of the foregoing, the second Yudhoyono administration faces a number of challenges, beginning with the need to continue reforming government agencies and the security sector. Since its first term, the Yudhoyono administration has demonstrated initiative in its efforts to solve the nation's corruption problem but

resistance is deep-seated, as evidenced by restrictions that the legislature has placed on the Corruption Eradication Commission (KPK), perhaps the most emblematic of its efforts. On the other hand, the inability of the government to eliminate problems such as graft and side businesses of public servants and military personnel can be traced fundamentally to inappropriate budgetary allocations. Some are also saying that flaws in the country's resident registration system and insufficient information sharing among government agencies are hampering the effectiveness of antiterrorism measures. Indonesia is a country with vast territory spread out over numerous islands. In such a nation, to have government agencies functioning effectively in every corner of the land becomes an especially important foundation for governance.

Another challenge for the second Yudhoyono administration will be solving its Papua problem. With Timor-Leste now independent and Jakarta having reached a political settlement with the Free Aceh Movement, the sole remaining separatist movement is in Papua. To achieve national reconciliation and reduce the often-occurring political violence in that region, the president will need to explain how he sees the problem being resolved. Achieving progress on these kinds of internal issues is not only necessary for strengthening governance in Indonesia; such progress, at the same time, will establish the basis for a more persuasive and proactive foreign policy for Indonesia.

(3) Political Chaos Continuing in Thailand

In Thailand, the military deposed Prime Minister Thaksin Shinawatra in a coup d'état in 2006 and established a provisional military government. A general election held in December 2007 resulted in victory for Thaksin supporters, but protest demonstrations by the anti-Thaksin "Yellow Shirts" of the People's Alliance for Democracy and judicial intervention forced the resignation of two prime ministers in one year. Protests that brought down the government of the second prime minister forced the postponement of the ASEAN Summit, ASEAN Plus Three (APT) Summit, and East Asian Summit (EAS), which were scheduled to be held in Chiang Mai in December 2008. In the same month, a coalition government led by the anti-Thaksin Democrat Party took power and Abhisit Vejjajiva was installed as prime minister. In response, the so-called "Red Shirts," as the pro-Thaksin National United Front of Democracy Against Dictatorship (UDD) is called, held protest meetings in Bangkok and other locations.

In April 2009 the UDD held a rally in Pattaya, a resort in central Thailand, which was the new site for the postponed APT and EAS meetings. On April 11, approximately 15,000 demonstrators broke into and occupied the conference venue, forcing authorities to postpone the bulk of the meetings again and to fly leaders of participating nations out of the area by helicopter. This was followed by yet another demonstration, involving around 40,000 people who had gathered in Bangkok. The government responded by declaring a state of emergency, and two people were killed in the clash between demonstrators and the police and military.

In Thailand, both governing and minority parties agree that the problem is partly the constitution, which gives the judiciary an inordinate amount of power to intervene in politics (to dissolve political parties and to suspend citizen's civil rights, etc.). Prime Minister Abhisit has indicated his intention to hold a general election in early 2010, based on a revised constitution that will be acceptable to both governing and minority parties. Another important element in the equation is how much longer former Prime Minister Thaksin can continue to support the activities of the UDD, for which he has been a prime benefactor.

But a more fundamental problem lies in the great disparity of wealth in Thai society, a gap symbolized by the poor rural population that lives in the northern and northeastern sections of the country and that continues fervently to support

Thaksin. Bangkok must also deal with the basic construct of Thai politics, in which traditional interests—comprising the political class, business leaders, the military, and the royal family, existing in a closely intertwined network—vie with those seeking to challenge their prerogatives. National reconciliation will require reform of this kind of structural problem. A related major issue is the need to revise the role of the king, who today wields *de facto* absolute authority. His role must be brought back into conformity with the country's originally intended system of constitutional monarchy. Some foresee the debate needed to bring this about occurring more openly hereafter.

The uprising by armed insurgents in southern Thailand continues to show no signs of abating. The fighting between government security forces and armed secessionist militants is taking place in four provinces in the south and deep south, near the border with Malaysia, where many Muslims reside. Since 2004, more than 3,500 people have been killed, including civilians engulfed in the fighting. The militants target not only Buddhists who oppose their campaign but also Muslims who cooperate with the government. On the other hand, the number of mistaken arrests and unintended civilian deaths at the hands of the security forces continues to rise. The government's policy toward the four provinces is to win the hearts and minds of residents by promoting development while protecting people's lives and assets. At the same time, it is taking steps to create employment opportunities and is allegedly providing assistance to Muslim students who study in the Middle East with the cooperation of the Egyptian government and others. But the truth is that implementation of measures to improve situation in the south is problematical from the standpoint of the principle of national unity. How much consideration should be given to the identity of the Muslim residents of the south in terms of language, education, speech, legal customs, etc. is a subject of debate and unless this question is resolved it will be difficult to arrive at a fundamental solution to this problem.

The political chaos in Thailand has not only damaged the country's economy and impacted its tourism; it has also led to the diplomatic fiasco of twice failing to convene major meetings as ASEAN chair. At the same time, the political upheaval has made it difficult for the government to fully address the problem of its southern insurgency. Domestic politic strife may also have brought its border dispute with Cambodia over the Temple of Preah Vihear into the open and left both sides staring the other down with no possibility of a viable political solution. In November, the Cambodian government appointed Thaksin as an economic advisor, a move that touched off a mutual recall of ambassadors, the banishment of diplomats, and the suspension of bilateral cooperation. Thailand's inability to make political adjustments on these kinds of problems has caused its regional influence to decline. Although Thailand's weakened state is not currently a threat to regional security, it could potentially trigger problems which do have security implications.

2. Moves toward an ASEAN Community

(1) Roadmap to an ASEAN Community

The ASEAN Charter, which came into force in December 2008, mandates the establishment of an ASEAN Community by 2015—a community that will comprise three pillars: the ASEAN Political-Security Community (APSC); the ASEAN Economic Community (AEC); and the ASEAN Socio-Cultural Community (ASCC). At the Thirteenth ASEAN Summit in Singapore in 2007, where the leaders signed the charter, the organization adopted blueprints for the AEC and ASCC. In March 2009, they adopted the remaining APSC blueprint, along with the “Initiative for ASEAN Integration (IAI) Strategic Framework and IAI Work Plan 2 (2009–2015),” at the Fourteenth ASEAN Summit in Hua Hin, Thailand. At Hua Hin, the leaders signed the “Cha-am Hua Hin Declaration on the Roadmap for the ASEAN Community (2009–2015),” which annexes the four documents into a comprehensive plan of action.

The Roadmap incorporates the blueprints of the APSC, AEC, and ASCC, which provide roadmaps and timetables and incorporate actions required to establish the respective communities by 2015. The “IAI Strategic Framework and IAI Work Plan 2,” on the other hand, spells out measures that will be taken to close the development divide between the advanced nations and Cambodia, Laos, Myanmar, and Vietnam (CLMV), a step that is essential for ASEAN integration. In the Roadmap, the APSC is envisaged as: (A) a rules-based Community of shared values and norms; (B) a cohesive, peaceful, stable and resilient region with shared responsibility for comprehensive security; and (C) a dynamic and outward-looking region in an increasingly integrated and interdependent world. Based on this vision, the APSC blueprint lists political elements for which cooperation should be carried forward and actions necessary to concretize these elements (see Annex 1).

As with the other two communities, sectoral bodies (sectoral ministerial bodies and senior officials) and the ASEAN Secretariat will be responsible for implementing the roadmap, and will submit reports and recommendations to the ASEAN Summit through the ASEAN Political-Security Political Council, which is provided for under the charter. ASEAN has begun taking specific steps to build the system required to establish the community. For example, to deal with the greater work load resulting from implementation of the roadmap, it is making

Annex 1

Elements of Cooperation in the ASEAN Political-Security Community (Excerpts)

- A A rules-based community of shared values and norms
- A1 Cooperation in political development
- Strengthening the rule of law and judiciary systems and legal infrastructure
 - Promoting good governance
 - Promoting and protecting human rights
 - Preventing and combating corruption
 - Promoting the principles of democracy
- A2 Shaping and sharing of norms
- Strengthening cooperation under the Treaty of Amity and Cooperation in Southeast Asia
 - Fully implementing the Declaration on the Conduct of Parties in the South China Sea
 - Implementing the Southeast Asia Nuclear Weapon-Free Zone Treaty and the SEANWFZ Plan of Action
- B A cohesive, peaceful and resilient region with shared responsibility for comprehensive security
- B1 Conflict prevention and confidence building measures
- Strengthening confidence building measures
 - Promoting greater transparency and understanding of defense policies and security perceptions
 - Building up the necessary institutional framework to strengthen the ARF process
 - Promoting the development of norms that enhance ASEAN defense and security cooperation
- B2 Conflict resolution and pacific settlement of disputes
- Building upon existing modes of pacific settlement of disputes and strengthening them with additional mechanisms as needed
 - Strengthening research activities on peace, conflict management and conflict resolution
 - Promoting regional cooperation to maintain peace and stability
- B3 Post-conflict peace building
- Strengthening ASEAN humanitarian assistance
 - Implementing human resource development and capacity building programs in post-conflict areas
 - Cooperating in reconciliation and strengthening peace-oriented values
- B4 Non-traditional security issues
- Strengthening cooperation in addressing transnational crimes and other transboundary challenges
 - Intensifying counter-terrorism efforts by ratifying and implementing the ASEAN Convention on Counter-Terrorism
- B5 Strengthen ASEAN cooperation on disaster management and emergency response
- B6 Effective and timely response to urgent issues or crisis situations affecting ASEAN

C A dynamic and outward-looking region in an increasingly integrated and interdependent world

C1 Strengthening ASEAN centrality in regional cooperation and community building

C2 Promoting enhanced ties with external parties

C3 Strengthening consultations and cooperation on multilateral issues of common concern

Source: ASEAN Secretariat, *Roadmap for an ASEAN Community 2009-2015*, 2009.

more human and financial resources available to the ASEAN Secretariat; and the Committee of Permanent Representatives to ASEAN, which is prescribed by the charter, has begun to support the secretariat in coordinating the work of member nations.

What does the APSC tell us about the kind of community ASEAN wishes to establish? Section A1 of the APSC blueprint, on political development, does not discuss the specific endpoints of such development; it deals instead with shared values such as “the rule of law,” “good governance,” “human rights,” “combating corruption,” “democracy,” and so on. Required actions are spoken of largely in terms of research, sharing experiences and best practices, and disseminating educational opportunities. Section A2 focuses on how to get countries outside the region to share the norms to which member nations are already committed, as these are embodied in such treaties and agreements as the Treaty of Amity and Cooperation in Southeast Asia (TAC), the Declaration on the Conduct (DOC) of Parties in the South China Sea, the SEANWFZ Treaty and others. Toward that end, actions such as encouraging accession to TAC by non-ASEAN countries, encouraging full implementation of the DOC for the South China Sea, and encouraging accession to the SEANWFZ Treaty by nuclear weapons states are discussed. None of this is new; ASEAN has been pursuing these goals for some time.

Section B1 of the APSC blueprint deals with conflict prevention and confidence building. In terms of actions, it specifies continuing confidence-building measures that have been promoted or proposed to date principally by the ASEAN Regional Forum (ARF), strengthening cooperation and moving into preventative diplomacy through reform of the ARF (discussion in a later section), and engaging in dialogue

and cooperation in such forums as the ASEAN Defence Ministers Meeting (ADMM). Its mention of “initiating preparatory work for the development of practical development programs among the militaries of ASEAN member states” is novel. Section B2, which deals with conflict resolution, keeps the focus largely at the level of research and information accumulation, personnel exchange, and human resource development—although it does include goals with some amount of specificity, such as the establishment of an ASEAN Institute of Peace and Reconciliation and the creation of a network among existing ASEAN member states’ peace-keeping centers to conduct joint planning, training and sharing of experiences. How ASEAN goes about concretizing military cooperation will be worth watching, because this is an issue that it has discreetly avoided in the past and has carried out until recently only informally. The possibility exists that a new framework of cooperation, which includes the military, will be formed to deal with conflict prevention and resolution. That said, however, it is very unlikely that the idea for a single, joint organization capable of taking military action would ever materialize, as the strong opposition to an ASEAN peacekeeping force during the early days of work on the APSC concept indicates. On the other hand, because member nations have a relatively rich legacy of cooperation through ASEAN on non-traditional security issues, the blueprint provides a long list of actions aimed at greater cooperation in this area in sections B4 and B5. But while the AEC and ASCC blueprints include timetables for each action, there are no such schedules in the APSC blueprint and virtually no specified deadlines.

These observations suggest that, at least politically, ASEAN in 2015 will look pretty much as it does today. Of course, ASEAN is not aiming to achieve European-style integration, where some national sovereignty is delegated to the political union. On the contrary, as the ASEAN charter also indicates, member nations will continue to adhere strictly to the principles of respect for national sovereignty and non-intervention in internal affairs. This point is substantiated in section A1, where it is left to each country, in non-binding language, to determine how and by when the aforementioned principles will be concretized in its politics. In a region where vast differences exist in the systems and political conditions of member nations, we foresee countries giving priority to economic integration as they work to build a track record of cooperation in non-traditional areas of security—while, in the political sphere, they subscribe to the “ASEAN way,” which is to say they move at a “pace comfortable for all nations” and wait for the right time (when

change produces more flexibility in each country) to act. The big question here is whether this approach will enable ASEAN to respond quickly and effectively—and to demonstrate its legitimacy as a community—when a serious crisis affecting a member state’s sovereignty arises.

(2) The Launching of an ASEAN Human Rights Body

The ASEAN human rights body (AHRB) was a major point of contention when the ASEAN Charter was being drafted. At the time of the charter’s signing, although member nations agreed on the establishment of the AHRB, they put off specifying what the body’s precise role would be. In October 2009, at the Fifteenth ASEAN Summit in Hua Hin, this human rights body was launched in the form of a “ASEAN Intergovernmental Commission on Human Rights” (AICHR).

According to the Terms of Reference (ToR) approved at the Hua Hin summit, the purposes of the AICHR will be “to promote and protect human rights and fundamental freedoms of the peoples of ASEAN and to uphold the right of the peoples of ASEAN to live in peace, dignity and prosperity,” thereby creating the foundation for the establishment of a more “people oriented” ASEAN Community. AICHR has been mandated to: “develop strategies for the promotion of human rights to complement the building of the ASEAN Community”; “to develop an ‘ASEAN Human Rights Declaration’”; “to enhance public awareness of human rights”; “to promote capacity building for the implementation of human rights treaty obligations by member states”; and “to obtain information from member states on the promotion and protection of human rights”; etc. The commission will convene two meetings each year. In addition to submitting an annual report to the ASEAN Ministerial Meeting, the commission will also keep the public periodically informed of its work and activities. Each member state will appoint a representative to the AICHR, who will serve a three-year term (and may be reappointed for one more consecutive term).

The ToR provides that the AICHR will be guided by the principles of ASEAN, including respect for sovereignty and non-interference in the internal affairs of

member states. But the commission will be a consultative body with no power to compel member nations to take any action; and it will have neither the authority to monitor human rights violations in member states nor the power to remedy such situations. Moreover, because a country's representative may be replaced at any time, regardless of his or her appointed term of office, the independence of commission members is not protected. For these reasons, skepticism exists about the commission's effectiveness. But Surin Pitsuwan, Secretary-General of ASEAN, takes a gradualist approach, saying that "in a situation where the environment for human rights has still not evolved sufficiently in some member states, the fact that we have a commission at all is, in itself, major progress." The ToR, moreover, is subject to a review every five years. Again, the ASEAN Charter states that "any Member State affected by non-compliance with the findings, recommendations of decisions resulting from an ASEAN dispute settlement mechanism, may refer the matter to the ASEAN Summit for a decision," which suggests that an avenue may still exist for adopting sanctions against serious violations of human rights. But many member states resist criticism of the human rights situations in their countries, considering it to be interference in their internal affairs. This is indicated by the informal exchanges that were supposed to take place between for the first time ASEAN leaders and Civil Society Organisations (CSOs) at the fourteenth summit, where half the leaders refused to engage in dialogue with their own nation's "anti-government" CSOs. It is also borne out by the difficulties that ASEAN encountered in forming a consensus on the resolution condemning Myanmar, which we touched on in an earlier section. Putting into practice a "people orientation" will be a road fraught with enormous difficulties for ASEAN.

(3) Reform of the ARF

At the Sixteenth ASEAN Regional Forum held in Phuket in July 2009, having "recognized that the Asia-Pacific region continues to face multi-dimensional threats and challenges and that the ARF needs to continue to revitalize itself in order to maintain its relevance and primacy in promoting regional peace and stability and in helping to shape the evolving regional security architecture," the ministers adopted an "ARF Vision Statement."

This statement charts a vision for ARF by 2020 and discusses the development of preventive diplomacy in priority areas, particularly those "pertaining to non-traditional, transboundary and inter-state security challenges including working

towards mutually acceptable early warning mechanisms.” It reports on an agreement to “make the ARF an action oriented mechanism” which develops effective responses to such challenges as “terrorism and transnational crime, disaster relief, maritime security and non-proliferation and disarmament.” It also calls for strengthening the roles of the ARF Chair and the Secretary-General of ASEAN and of the ARF Unit of the ASEAN Secretariat to deal with crises. The foreign ministers of the participating countries also agreed to develop a plan of action in time for the ASEAN Regional Forum of 2010 and to “undertake a review of its implementation.”

The ARF is a security forum for countries in the Asia-Pacific region, including ASEAN. It has committed itself to a three-stage approach to enhancing security in the region, to wit: promoting confidence building measures; developing preventive diplomacy mechanisms; and developing conflict resolution measures. The forum has agreed to expand its program of work into pursuing preventive diplomacy. In 2001, it formulated the “ARF Concept and Principles of Preventive Diplomacy” (see Annex 2). Despite deciding in 2005 to move into the preventive diplomacy stage, the ARF has not made notable progress in translating these principles into specific measures. At the ASEAN Ministerial Meeting in Singapore in July 2008, Singapore Prime Minister Lee Hsien Loong expressed a sense of crisis about the situation, saying that ASEAN’s role could be pushed to the side by the progress being achieved by other security frameworks in the region, such as the Six-party Talks on North Korea and the Shanghai Cooperation Organisation (SCO), and by improved major power relations, such as those between Japan, China, and South Korea. In the ARF ministerial meetings that followed his remarks, ministers engaged in a comprehensive discussion on the future direction of the ARF process. The vision statement springs from these discussions and emerges from a flow of events that is moving to bring the APSC into existence and to reform the ARF—changing it from a forum for dialogue into a mechanism for action. Japan supports this new orientation toward concrete action by the ARF and in 2008 assumed the role of joint chair (along with Indonesia and New Zealand) of the Inter-Sessional Meeting on Maritime Security, which was established in 2008. At the 2009 ARF ministerial meeting, Japan expressed its intention to co-host the next ARF field exercise on disaster relief following the “ARF Voluntary Demonstration of Response (ARF VDR) on Disaster Relief,” which took place in May 2009 (see section 3 below). On the other hand, in a region beset by frequent

Annex 2

“ARF Concept and Principles of Preventive Diplomacy” (Outline)

Definition:

- Preventing disputes and conflicts from arising between states
- Preventing disputes and conflicts from escalating into armed confrontation
- Minimizing the impact of disputes and conflicts on the region

Concept

- Confidence building
- Norms building
- Enhancing channels of communication
- Role of the ARF chair
- Consideration of further measures, as appropriate

Principles

- Reliance on diplomatic and peaceful methods
- Non-coercive; does not employ military action or force
- Actions are preventive rather than curative
- Neutrality
- Based on consultation and consensus
- Requested and consented to by all parties
- Applies to conflicts between and among states
- Principles of respect for sovereignty and non-interference in internal affairs

Source: Prepared from information on the ARF website

domestic conflict, the fact that preventive diplomacy in the ARF is limited to dealing with inter-state conflict will constrain the forum’s ability to take concrete actions in response to crises.

(4) Progress by the ASEAN Defence Ministers Meeting

Started in 2006 as a framework for cooperation on defense and military-related matters in ASEAN, the ADMM will play a major role in helping to establish the APSC, now mandated by the ASEAN Charter. At the third ADMM, which was convened in Pattaya, concept papers relating to “the use of ASEAN military assets and capacities in humanitarian assistance and disaster relief,” “ASEAN defense establishments and CSOs cooperation on non-traditional security,” and “ADMM-Plus: principles for membership” were adopted.

The first paper, on humanitarian assistance and disaster relief, relates to the

establishment of ASEAN standby arrangements for disaster relief and emergency response, as called for by the “ASEAN Agreement on Disaster Management and Emergency Response” signed in 2005. It discusses the principles that will guide the use of the military assets of member states during humanitarian aid and disaster relief activities. Notably, ASEAN member states will voluntarily designate the military assets and capacities that will be made available for ASEAN Standby Arrangements. This information will be communicated to and shared with related parties and institutions and with the ASEAN Co-ordinating Centre for Humanitarian Assistance on Disaster Management (in Jakarta), which will keep the information updated. During disasters, the affected state must request and consent to the deployment of equipment and other assets; and the affected state will exercise overall direction, control, coordination and supervision over the support being provided by foreign militaries. Although there is nothing new in this paper, the fact that ASEAN member nations are moving toward an actual agreement on the use of the military in disaster emergencies is of great interest.

The second paper, on non-traditional security, is premised on the major role that CSOs have played in this area. The paper cites their close ties with people at the local level, their frequent contributions in areas that are inaccessible to government aid, and their increasing influence in the policy-making process in recent years. In light of these realities, the paper recommends that the ASEAN defense establishment explore ways to promote a greater exchange of views and increased dialogue with CSOs, to establish networks with CSOs, and to cooperate with CSOs in providing support to governments and in jointly responding to non-traditional security issues. The paper further proposes that communication with CSOs be carried out through defense establishments of the respective member nations, that ASEAN establish contact with CSOs operating in ASEAN member states as well as international CSOs, and that CSOs’ views be allowed to be a part of governments’ policy-making processes; and, furthermore, that key CSOs be invited to ASEAN defense workshop and that channels be established to collect useful opinions from the public.

The third concept paper, on ADMM-Plus, describes the framework for a ministerial meeting that includes countries outside the region. In its current version, the concept paper considers standards for membership in ADMM-Plus. It proposes that, in order for a non-ASEAN country to qualify for membership, it must meet three conditions: it must be a “dialogue partner” of ASEAN; it must

have significant interactions with ASEAN defense establishments; and it must cooperate with ADMM to build capacity so as to enhance regional security, and it must be able to contribute expertise and resources to shared security challenges. Subject to these conditions, the ADMM will invite extra-regional countries into ADMM-Plus provided that there is a consensus of all ASEAN member nations. The paper proposes that ADMM-Plus meetings be held initially once every three years.

Thus, even in the defense and military spheres, ASEAN is examining ways of systematizing cooperation between the militaries of the ASEAN member states, cooperation with extra-regional countries, and cooperation between the military and civilian sectors—all with the formation of the ASEAN Community in mind. ADMM-Plus transcends the ASEAN framework and could develop into an official multilateral framework of dialogue and cooperation between top defense officials in the Asia-Pacific region, where currently only the unofficial IISS Asian Security Summit (the Shangri-La Dialogue) exists. In November, Nguyen Minh Triet, president of Vietnam, indicated his intention to convene a defense ministers meeting comprising ASEAN and eight other countries (Japan, China, South Korea, India, Australia, New Zealand, the United States, and Russia) in 2010, when Vietnam becomes the ASEAN chair. If this meeting comes about, it will be a major step forward for the region.

However, it remains unclear how ADMM-Plus and ARF will relate to one another and how the overlapping activities of the two forums will be sorted out and distinguished. If matters proceed according to their vision statements, the ARF will offer a framework for ensuring security in a comprehensive sense, including through preventive diplomacy, while ADMM and ADMM-Plus would provide the military means for establishing security. That said, however, because both are primarily interested in cooperation in non-traditional security, some form of adjustment will probably be necessary. On this point, although members of national defense establishments and militaries currently participate in the ARF Defence Officials' Dialogue and in other meetings and seminars held within the framework of ARF, some believe that, instead of the foreign ministries-led ARF, the ADMM and its sub-organizations—such as the ASEAN Chiefs of Defense Force Informal Meetings—are more suited to effective cooperation among militaries. Moreover, the concept papers and the proposal by Vietnam seem to be suggesting that ASEAN is seeking to draw in major extra-regional nations that

will contribute more concretely toward enhancing ASEAN security—something that may be less feasible through the widely dispersed membership of the ARF.

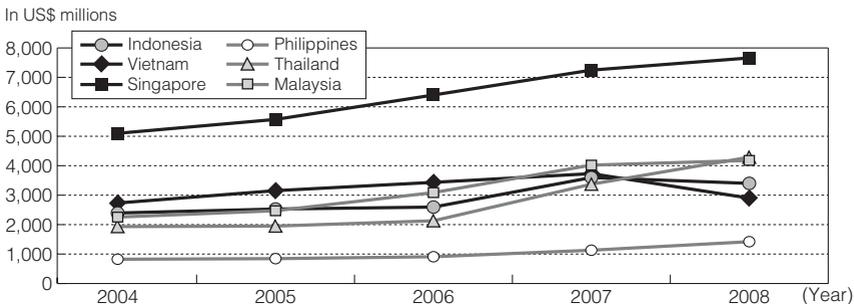
3. Military Trends in Southeast Asia since the Global Economic Crisis

(1) Southeast Asia as a Weapons Market and as a Base for Defense Manufacturing and Development

Figure 5.1 illustrates trends in the defense budgets of the major countries of Southeast Asia through 2008. The financial crisis in the second half of 2008 impacted the defense procurement programs of a number of them. Malaysia, for example, has suspended procurement of its navy’s second generation frigates because of expenditure cutbacks, and is now reevaluating the required specifications for these vessels. According to press reports, the Malaysian army’s wheeled armored vehicle program has also been delayed. In Thailand, appropriations for the country’s second order of six Gripen 39 C/D fighters were not included in the fiscal 2010 budget, forcing postponement of the start of production and delaying retirement of the country’s antiquated F-5E/F fighters. Thailand’s first six Gripen 39 C/Ds are scheduled to be deployed in 2011.

In Indonesia, on the other hand, President Yudhoyono announced in July that the defense budget for 2010 would increase by 20 percent year-on-year to approximately 40.6 trillion rupiah. Yudhoyono indicated that, to the extent permitted

Figure 5.1. Trend in National Defense Budgets for ASEAN5 and Vietnam



Source: Compiled from IISS, *Military Balance 2006-2010*.

by economic growth, he wanted to increase military spending gradually hereafter in amounts sufficient to develop “minimum essential force.” He said that to do so would require an estimated 100-120 trillion rupiah in defense spending each year. In addition to improving and refurbishing obsolete assets, Yudhoyono apparently intends to direct some of these expenditures to new weapons and equipment procurement. Indonesian military (TNI) spokesman, Rear Marshal Sagom Tamboen, stated that “some of this will be used to purchase Mi-17 helicopters and submarines.” In the same month, however, Rear Marshall Eris Herryanto, director general for Defense Facilities at the Department of Defense, said that expenditures from next year’s budget would be allocated on a priority basis to improving and maintaining existing assets—and that the procurement of major new assets, including submarines, would probably be pushed back to the 2011 fiscal year and beyond. Indonesia faces serious issues with antiquated assets and with budgets that are inadequate for the replacement parts that are needed. For example, one survey indicates that only 42 percent of military aircraft are airworthy. The crash of a C-130 transport in May, which killed around one hundred people, brought this problem into the limelight once again.

A salient trait of the asset procurement and installation programs of the major Southeast Asian countries is submarines. In 2002 Malaysia ordered two *Scorpene*-class submarines (which it christened *Prime Minister*-class vessels) which were developed jointly by DCNA of France and Navantia of Spain. In January 2009, it took delivery of the first of these ships, the KD *Tunku Abdul Rahman*, which it deployed in September at the newly built Sepanggar Royal Malaysian Navy (RMN) Base in Sabah. The second submarine, the KD *Tun Razak*, is scheduled for delivery in January 2010. These are the first submarines that Malaysia will have deployed and Chief of the Navy Adm. Abdul Aziz Jaafar says that “the Navy needs time to acquire experience and expertise in the field of submarine operations...Acquisition of additional submarines will be [made] in the future once the RMN is satisfied with the standard achieved at all levels of submarine operations.” *Scorpene*-class submarines are not sufficiently equipped for combat operations in the waters around Malaysia and the press is reporting that the RMN may be considering *Andrasta*-class submarines for future procurement. A variant of the *Scorpene*-class submarine, *Andrasta*-class vessels boast outstanding operability in coastal waters. In terms of surface ships, Adm. Abdul Aziz has said that after 2010 the navy would look into acquiring patrol vessels configured for anti-submarine

warfare to enable coordinated operations with the *Scorpene* submarines.

Malaysia's submarine program is supposedly intended to maintain omnidirectional strategic capabilities in the nation's territorial waters, and the acquisitions were apparently triggered by the first deployment in Southeast Asia of submarines with modern capabilities, by neighboring Singapore. The Singapore military deploys four Sweden-made *Sjoormen*-class submarines (which it has christened the *Challenger*-class), which were ordered in 1995. While Singapore maintains that they are for training purposes, the submarines are optimized for operations in shallow waters and are widely thought to be operationally ready for combat. In June 2009, moreover, Singapore held a launching ceremony for the RSS *Archer*, one of the two Sweden-made Type A17 *Vastergotlands*-class submarines that it ordered in 2005. These two vessels, which have been christened *Archer*-class submarines, are now being refurbished to make them suitable for operations in tropical waters. The press is reporting that they will be operationally ready by 2010.

Indonesia has been deploying two East Germany-manufactured Type 209 submarines from the Cold War, the KRI *Cakra* and the KRI *Nanggala*, which were refurbished in 2006 by Daewoo Shipbuilding and Marine Engineering of South Korea. Indonesia apparently has plans to construct twelve additional submarines by 2024 and there are reports that it will be selecting either the Type 209/1200 *Changbogo*-class submarines used by the South Korean navy or Russia's *Kilo*-class submarines. In March, Yusron Ihza, deputy chairman of the Commission I on Political, Security and Foreign Affairs Committee of the House of Representatives, said that he had inspected a Russian shipbuilding yard to evaluate possible submarine purchases. In Yusron's words, "The submarine will display our naval strength and allow us to be ready for any armed conflicts." On the other hand, Vice Adm. Agus Suhartono, Navy chief of staff, said that the navy had singled out Italy, the Netherlands, and Russia as potential suppliers of two submarines, adding that (because of the aforementioned budgetary priorities) he hoped the two submarines could be procured by 2014. In recent years, Indonesia has been enhancing its naval power with a focus on protecting the territorial integrity of its archipelagic waters, but has been involved in frequent conflict with Malaysia over maritime resources. This is fueling speculation that its deployment of submarines is intended as a means of strengthening its posture vis-à-vis Malaysia. Cdre. Iskandar Sitompul, chief spokesman for the Indonesian Navy, has said that "We need submarines to maintain a regional balance of power to secure peace."

Vietnam is widely viewed as having plans to acquire six Russian *Kilo*-class submarines, while Thailand, too, is reported to be interested in purchasing either an *Amur*-class submarine from Russia or a *Song*-class submarine from China. While *Defence of Thailand 2008*, Thailand's white paper on defense, acknowledges the effectiveness of submarines as a deterrent, a senior Thai military official has stated that because deploying a submarine would heighten tensions with neighboring countries, Thailand currently has no concrete plans to acquire any submarines.

Outside of submarines, the Indonesian Air Force had taken delivery of ten Su-30 fighters from Russia through August 2009 and is on track to complete the formation of its Makassar squadron. In February, the Singapore Air Force deployed the first of its Gulfstream 550 Airborne Early Warning aircraft. It will ultimately deploy four Gulfstream 550s to upgrade its capabilities from the level that currently exists through its now deployed E-2C aircraft.

In terms of land-based assets, the Malaysian Army will take delivery of forty-eight PT-91M main battle tanks (MBT) from Poland in 2009. The tanks will be deployed to a unit that is now being reconfigured into an armored brigade and which, upon completion of its reorganization in 2010, will be stationed in Gemas, Negeri Sembilan. This deployment by Malaysia could be its way of responding to the Singapore Army's deployment of Leopard 2A4 MBTs, which began in 2006. Thailand was scheduled to begin taking shipments of ninety-six BTR-3E1 armored personnel carriers from the Ukraine in 2009. But, because of the coup d'état, the German government has refused to issue export permits for the engines and the press is reporting that the German engines will now be replaced by US-made engines. Also in Thailand, reports are emerging that the government has budgeted 3 billion bahts for the refurbishment of the Scorpion light tank. Of the 128 deployed by the Thai military, half are said to be inoperable due to inadequate maintenance.

In January, Singapore Technologies Kinetics was awarded a contract to deliver one hundred Bronco All Terrain Tracked Carriers to the British Army. This is the first time that Singapore is exporting weapons to an advanced nation. Economic development and technological innovation may make it possible for Southeast Asia to become not only a market for weapons but also an increasingly important player in defense manufacturing and development hereafter.

(2) Greater Military Cooperation in the Area of Non-Traditional Security

Both within Southeast Asia and in the region's relations with neighboring countries, national defense authorities are being presented with more opportunities for exchange and cooperation, particularly with respect to non-traditional security issues. These opportunities are coming in various forms. After their countries entered into an Agreement on the Framework for Security Cooperation in November 2006, military commanders from Indonesia and Australia met in Jakarta in January 2009 and announced the "Joint Statement on Indonesia-Australia Defence Cooperation." In this agreement, the commanders envision cooperation in areas such as counter terrorism, maritime safety, intelligence, humanitarian aid and disaster relief, peacekeeping, etc. and cite training and exercises/education, joint patrols, information sharing, and mutual logistical support as examples where such cooperation could be achieved.

In May 2009, Singapore entered into an Arrangement Concerning Defence Cooperation with New Zealand. Signed by the defense ministers of both nations, the arrangement seeks to deepen existing defense interactions and to foster new areas of cooperation—through annual policy dialogues, the continuation of numerous military interactions, and cooperation in operations and training for humanitarian assistance and disaster relief, search and rescue missions, and peace support operations. In September, Singapore entered into a Defence Cooperation Agreement with Vietnam, which was signed by the defense ministers of both countries. The agreement seeks to formalize existing interactions in such areas as exchange of visits, attendance in training courses, and annual policy dialogues, and to promote new areas of cooperation. Examples of the latter include study visits, military medicine, personnel education and training, humanitarian assistance and disaster relief, and search and rescue. Again, in December, Singapore signed a Memorandum of Understanding on Defense Cooperation with South Korea and a Memorandum on Defense Exchanges with Japan. While both seek to formalize existing defense interactions, the former also calls for an expansion of cooperation in humanitarian assistance and military medicine, while the latter encourages greater cooperation in international peace activities and in actions aimed at countering threats to global society—as well as exchanges of opinions on humanitarian assistance and disaster relief and on protection against chemical, biological, radiological and explosive (CBRE) threats.

In 2008, Singapore entered into an Agreement on Defence Exchanges and Security Cooperation with China. On this basis, the two countries conducted an inaugural joint counter-terrorism training exercise codenamed “Cooperation 2009” in Guilin, China in June 2009 involving about sixty troops from each nation. Those from Singapore were from the 2nd People’s Defence Force and the CBRE Defence Group, while those from China were from the PLA Emergency Response Office and the Guangzhou Military Region. The exercise, structured as a response to a terrorist attack on an expo type of event, lasted nine days and sought to hone troops’ skills in the area of counter terrorism and to enhance mutual understanding between both militaries. In the view of some, this greater interaction in the military sphere between Singapore and China may affect the heretofore close—though unofficial—military relations that have existed between Singapore and Taiwan. China, on the other hand, has held a combined antiterror training exercise with Thailand since 2007—the so-called “Strike” exercises, involving special forces. These actions by Beijing suggest China’s intentions to increasingly engage with the militaries of other nations at the level of actual combat units, using as a lever the theme of “combating terror,” which other countries find easy to accept in an environment of rising non-traditional threats.

Multilaterally, nations in the region participated in the regular “Cobra Gold” multilateral exercise led by the United States, and also in the following annual exercises: Cooperation Afloat Readiness and Training (CARAT); Southeast Asia Cooperation Against Terrorism (SEACAT); and Five Power Defence Arrangements (FPDA). Also, in May 2009, the ARF conducted its first Voluntary Demonstration of Response (VDR) exercise in the Philippines. About 500 people from twenty-five countries and the EU participated, including Japan. Thirteen countries (Japan, Australia, Brunei, China, Indonesia, Mongolia, New Zealand, Papua New Guinea, the Philippines, South Korea, Singapore, Sri Lanka, and the United States) and the EU provided assets for the exercises, which were set up as a response to the devastation of a major typhoon, requiring other ARF countries to mobilize humanitarian assistance. The countries trained in various areas, including search and rescue, medical care, construction, and victim evacuations. In total, about one hundred Japanese participated, representing the Ground, Maritime, and Air Self-Defense Forces, the Ministry of Foreign Affairs, and the Japan International Cooperation Agency (JICA); among the assets provided by Japan were the US-2 Search and Rescue Amphibian aircraft, which Japan was making available for the

first time on an overseas mission. Finally, in the FPDA's October "Bersama Lima" joint exercise, participants conducted inaugural map exercises for humanitarian assistance and disaster relief scenarios, another indication of the growing interest in non-traditional security operations.

An example of a real-world response to crisis was the Malaysian navy's dispatch of the frigate KD *Lekiu* and three multipurpose ships to the Gulf of Aden to combat piracy off the coast of Somalia. For three months beginning in April 2009, Singapore dispatched the Landing Ship Tank, RSS *Persistence*, to the Gulf of Aden for antipiracy duty as part of the multilateral Combined Task Force (CTF) 151. Rear-Admiral Bernard Miranda of the Singapore Navy took command of CTF 151 from January to March 2010. The Indonesian Navy corvette, the KRI *Diponegoro*, also linked up with CTF 151 on its way to join the Maritime Task Force of the UN Interim Force in Lebanon (MTF-UNIFIL) and participated in antipiracy patrols.

On September 30, 2009, a 7.6 magnitude earthquake struck off the coast of West Sumatra Province, destroying buildings and causing landslides in the cities of Padang and Pariaman. More than 1,100 people were killed in the disaster. Responding to requests from the Indonesian government, rescue teams from at least thirteen nations, ten UN agencies, and more than 180 aid organizations provided search and rescue, medical care, and livelihood assistance on the scene. In Southeast Asia, military assistance arrived from Malaysia and Singapore. The Malaysian armed forces dispatched a 70-person medical team, while the Singapore military dispatched a 54-person medical team and a 30-person engineering team; the Singapore Air Force also provided C-130s to transport supplies and a rescue team from the Singapore Civil Defence Force. During his inspection of the disaster area, ASEAN Secretary-General Surin observed that while not all of ASEAN member countries' troops were present (because of the need to respond to typhoon disasters in the Philippines and Indochina), the participation of some troops showed the solidarity that exists among ASEAN member nations. Surin added that there was a need to improve ASEAN's mechanisms and responses for future disaster relief efforts. Japan responded by dispatching a rescue team from Japan Disaster Relief (JDR), which arrived on the scene on the morning of October 2, becoming the first foreign government team on the ground. Including a later-arriving medical team, eighty-eight persons in all took part in aid and relief activities on behalf of the Japanese government. Separately, Japan's Self-Defense

Forces dispatched thirty-three persons, twenty-one from its Joint Coordination and Liaison Office and twelve others who were a part of an International Disaster Relief Medical Support Unit for Indonesia. The latter was placed under the joint command of the Central Readiness Force (CRF) of the Japan Ground Self-Defense Force (JGSDF), the first time the CRF was deployed since its reorganization.

