

ASEAN in the Global South

—Strengthening relations with the Gulf Cooperation Council (GCC) and the Pacific Islands Forum (PIF)

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The 2023 ASEAN Foreign Ministers' Retreat

The ASEAN Foreign Ministers' Retreat held annually around February is the first in a series of important ASEAN-related meetings leading up to the ASEAN Summit and the East Asia Summit (EAS). It draws the attention of many countries, including Japan, as the agenda and direction of ASEAN, including the chairing country for that year, is on display at this meeting. For this reason, intense diplomatic battles involving Japan, the United States, China, and other countries outside ASEAN are often waged behind the scenes. While the international community is most focused on the manner in which ASEAN responds to issues such as those concerning the South China Sea, North Korea, and Myanmar, other new developments can also be gleaned from the press statement issued at the ASEAN Foreign Ministers' Retreat held in February 2023 in Jakarta, the capital of Indonesia, which is the current ASEAN Chair.¹

Among these developments is ASEAN's move to strengthen relations with the Gulf Cooperation Council (GCC) and the Pacific Islands Forum (PIF). The abovementioned statement noted that ASEAN looks forward to "exploring the possibility of an ASEAN-Gulf Cooperation Council Summit to be held this year in Riyadh" (para. 41) as well as "further discussion on the possibility of establishing Secretariat-to-Secretariat cooperation between ASEAN and PIF" (para. 31). The Chairman's Statement issued at the ASEAN Summit held in May echoed the same objective, adding that the PIF Chair will be invited to the EAS as a Guest of the Chair.²

The international community has become increasingly multipolar in recent years as the countries in the Global South gain a greater voice in the international community, underpinned by their growing economic power. At the Voice of Global South Summit hosted online by India in January this year, Prime Minister Modi pointed out that "as the eight-decade old model of global governance slowly changes, we should try to shape the emerging order."³ ASEAN's move to strengthen its relations with the GCC and PIF can also be seen as part of this shift toward such a multipolar order. This paper reviews the current state of and future prospects for cooperation among these regional groups and examines how these developments

may impact Japan's diplomacy. (Although Australia and New Zealand are also member countries of the PIF, this paper will focus primarily on the Pacific Island countries.)

ASEAN-GCC relations

According to documents published by the ASEAN Secretariat,⁴ official contact between ASEAN and the GCC began in 1990 when Oman, then GCC Chair, requested to establish formal relations with ASEAN. In the same year, foreign ministers from both groups met at the sidelines of the UN General Assembly in New York and agreed to hold annual meetings there. An agreement was subsequently reached in 2007 to hold a fully-constituted ASEAN-GCC Ministerial Meeting, and in 2009, the 1st ASEAN-GCC Ministerial Meeting was held in Manama, the capital of Bahrain, where the ASEAN-GCC Joint Vision was adopted. In the Vision, both sides agreed to undertake a study on the future of ASEAN-GCC relations across the three areas of free trade; economic cooperation and development; and culture, education, and information.

The 2nd ASEAN-GCC Ministerial Meeting was held in Singapore in 2010 and the 3rd in Manama in 2013, but the 4th that had been planned for 2017 never materialized. This year coincided with a period during which the GCC itself was internally divided due to the Qatar diplomatic crisis. In addition, no significant or concrete progress seems to have been made since the inaugural ASEAN-GCC workshop was held in Singapore in 2014 to follow up on the results of the Ministerial Meeting.

So far, cooperation between ASEAN and the GCC can be said to have been sparse. The fundamental reason for this is that both regions have very strong relations with developed countries such as European countries, the United States, and Japan in terms of politics, security, as well as trade and investment, and they have thus prioritized dialogue and cooperation with these countries and regions. Another reason is that, as both groups have had to contend with numerous unresolved issues with countries within and outside their respective regions, such as the situation in Myanmar and the South China Sea issue for ASEAN and the Qatar diplomatic crisis, the Yemen crisis, and relations with Iran for the GCC, they could not afford to make efforts toward strengthening relations between them.

Under these circumstances, the initiative to hold the first ASEAN-GCC Summit in 2023 could be attributable to the fact that the GCC, in particular, has been rapidly focusing on and strengthening its economic ties with Asia in recent times. According to "The Middle East Pivot to Asia 2022" (Asia House), GCC countries have rapidly deepened their economic ties with emerging countries in Asia, especially China and India, with GCC-China trade having doubled between 2010 and 2021 (to US\$180 billion), surpassing the GCC's combined trade with the United States and Europe. While the GCC's next largest trading partner after China is India (US\$121 billion in 2021), GCC-ASEAN trade is also growing steadily (US\$85.23 billion in 2021). GCC-ASEAN relations are expected to become increasingly important over the next decade due to the expansion of the middle class and favorable growth prospects in the ASEAN region. Furthermore, a natural synergy exists between the economic growth policies of ASEAN and GCC countries in the areas of digitalization, manufacturing, and logistics-related infrastructure investment.⁵ Saudi Arabia and other GCC

countries are currently implementing ambitious economic and social reforms to diversify their economies and improve the lives of citizens, leading to growing interest in and greater possibilities involving ASEAN countries, which have large Muslim populations and are continuing to experience rapid economic growth.

ASEAN-PIF relations

While the PIF has engaged in dialogue with ASEAN countries and the ASEAN Secretariat since the 1980s with the primary aim of strengthening economic ties with ASEAN and its member countries,⁶ overall cooperation between the two groups has hitherto remained relatively weak. Besides historical and political issues such as the Papua conflict involving Indonesia, a more fundamental reason for this may be the lack of economic appeal of the Pacific Island countries, many of which are underdeveloped countries with small economies, to ASEAN countries.

Recently, however, Indonesia has begun to strengthen its diplomatic engagement with the Pacific Island countries. In September 2022, Indonesian Foreign Minister Retno Marsudi visited Fiji and the Solomon Islands, and at the Indonesia Pacific Forum for Development (IPFD) held in Bali in December of the same year, Marsudi touched on the vision of “Pacific Elevation” that Indonesia had announced back in 2019. “[This vision] is not only about elevating Indonesia’s engagement with the Pacific,” she stated, “It is also about working together as part of the Pacific, to elevate the livelihoods of communities in this region.”⁷ The press statement issued at the 2023 ASEAN Foreign Ministers’ Retreat can be seen as a reflection of this proactive stance adopted by Indonesia.

Three reasons have been suggested for Indonesia’s more active diplomatic engagement with the Pacific.⁸ First, Indonesia needs to build trust with the Pacific Island countries on the issue of human rights in Western New Guinea. Second, Indonesia is attempting to present itself as an alternative partner for the Pacific Island countries and to support these countries in maintaining their neutrality amid the rivalry between the United States and China, which has been intensifying in the Pacific. Third, Indonesia hopes to cooperate with the Pacific Island countries in combating climate change, which is a common challenge for both parties. It has also been suggested that the Pacific Island countries may be exploring ways to handle the U.S.-China rivalry by consulting ASEAN, which is advocating ASEAN centrality and hosting security dialogues with major countries outside the region at the ASEAN Regional Forum (ARF).⁹

ASEAN and the PIF held a videoconference at the level of their deputy secretaries-general in April to exchange views on ways to strengthen ASEAN-PIF relations based on the abovementioned press statement. The dialogue between the two groups appears to be gaining pace.¹⁰

Future prospects and Japan’s diplomacy

Although the member countries of the GCC and PIF have vastly different economic situations and security environments, there are a few common factors that have contributed to their increased engagement with ASEAN.

The first factor is ASEAN's remarkable economic growth. At the 2018 ASEAN Economic Ministers Meeting, Singapore Prime Minister Lee Hsien Loong predicted that ASEAN, with 60% of its population under the age of 35 and a growing educated middle class, will achieve a growth of 5.4% over the next five years and become the world's fourth largest economy after the United States, China, and the EU by 2030.¹¹ In fact, ASEAN has demonstrated resilience and maintained its economic growth even during the subsequent COVID-19 pandemic. As outlined above, GCC countries have become increasingly interested in having ASEAN as a trade and investment partner, while the Pacific Island countries are looking to ASEAN not only for trade but also for support in areas such as climate change, the fishing industry, and addressing marine litter.

Second, the U.S.-China rivalry is of great concern not only to the PIF but also to the GCC. China is the largest trading partner of GCC countries, including the trading of oil and natural gas, and these countries are also less wary of China than ASEAN is since they are not directly exposed to China's burgeoning military power. However, the U.S.-China rivalry is being watched closely as a factor that could have a major impact on trade between GCC countries and Asian countries, as there are concerns that any economic sanctions imposed between the two great powers may spill over to countries in the Middle East. Furthermore, there are also concerns among some GCC countries that the rapidly growing interest of the United States and Europe in the Indo-Pacific may lead to a decline in their interest in the Middle East.¹²

However, it is unlikely that cooperation among the three regional groups, which has been stagnant until now, will kick into gear instantly moving forward. As Prime Minister Modi stated, the international order is slowly shifting and maintaining political and economic relations with the West will remain a top priority for these regional groups. In particular, the emphasis that many countries place on their relations with the West as far as security is concerned will not change. Furthermore, each regional group is faced with many internal challenges that they must prioritize in addressing. Accordingly, when we try to predict the future of the relationships between the three regional groups, it is necessary to carefully assess developments involving these groups, including the ASEAN-GCC Summit scheduled to be held later this year, while keeping the following questions in mind.

The first question is how ASEAN's increased engagement with the GCC and PIF will affect peace and stability in their respective regions. Although regional groups such as ASEAN are relevant when united, any division within the group will only benefit other major powers in the surrounding region. The division within the GCC sparked by the Qatar diplomatic crisis in 2017 led to Qatar drifting closer to Iran and consequently increased Iran's influence in Yemen and other countries in the Middle East. More recently, the PIF also experienced a moment of crisis when Kiribati and other countries in Micronesia announced their withdrawal from the Forum amid the escalating U.S.-China competition. ASEAN has also often struggled to maintain its unity, and its respect for achieving consensus among member countries has made it difficult for the group to stake out a clear position on the South China Sea issue. If these regional groups can

strengthen their internal unity by exchanging views and sharing lessons pertaining to regional affairs such as the U.S.-China rivalry, it will contribute to the stability of their respective regions. Moreover, this will further strengthen the voice of the Global South, which may gradually put the U.S.-China rivalry into a more relative perspective.

The next question is how cooperation among the three regional groups will affect Japan's efforts to achieve the vision of a Free and Open Indo-Pacific (FOIP). ASEAN has positioned its engagement with the GCC and PIF as part of its Indo-Pacific policy, the ASEAN Outlook on the Indo-Pacific (AOIP). The foreign ministers of ASEAN and the GCC met at the sidelines of the UN General Assembly in New York in 2019 to exchange views on international affairs, with the GCC professing its support for the AOIP in the Co-Chairs' Press Statement.¹³ Also, in a press briefing held after this year's ASEAN Foreign Ministers' Retreat, Indonesian Foreign Minister Retno Marsudi described the AOIP as one of the three pillars designated by the ASEAN Chair and stated that ASEAN's relations with the Pacific will be strengthened as part of the implementation of the AOIP.¹⁴ The AOIP entails principles that are also shared by the FOIP, including openness and a rules-based framework. But since it is fundamental to ASEAN that a balanced posture is maintained amid the U.S.-China rivalry, the AOIP may be more acceptable to the GCC and PIF, which do not wish to be drawn into the U.S.-China rivalry. These principles, which are also emphasized by Japan, may gradually permeate the Gulf and Pacific through the AOIP.

Japan has voiced its support for the AOIP since its inception, with 89 projects listed in the Progress Report on Japan's Cooperation for the ASEAN Outlook on the Indo-Pacific (AOIP) presented at the 2022 ASEAN-Japan Summit.¹⁵ The fact that Japan and ASEAN have built up such a sizable portfolio of concrete cooperation projects in a short period of time demonstrates the compatibility of the FOIP with the AOIP. With a special ASEAN-Japan Summit scheduled for later this year to mark the 50th commemorative year of ASEAN-Japan relations, it is hoped that the cooperative relationship between Japan and ASEAN will be further strengthened in light of these new developments in ASEAN.

¹ "Press Statement by the Chair of the 32nd ASEAN Coordinating Council (ACC) Meeting and ASEAN Foreign Ministers' Retreat, Jakarta, 3-4 February 2023," <https://asean.org/wp-content/uploads/2023/02/CHAIRs-PRESS-STATEMENT-32nd-ACC-AMM-RETREAT.pdf>.

² "Chairman's Statement of the 42nd ASEAN Summit," <https://asean.org/wp-content/uploads/2023/05/FINAL-Chairmans-Statement-42nd-ASEAN-Summit-1.pdf>. The statement mentions that besides the PIF, ASEAN will also establish Secretariat-to-Secretariat cooperation between ASEAN and the Indian Ocean Rim Association (IORA) and invite the IORA Chair to the EAS as well.

³ "PM's remarks at opening session of Voice of Global South Summit 2023," https://www.pmindia.gov.in/en/news_updates/pms-remarks-at-opening-session-of-voice-of-global-south-summit-2023.

⁴ "Overview of ASEAN-GCC Relations," <https://asean.org/wp-content/uploads/2012/05/Overview-of-ASEAN-GCC-Relations-October-2017-fn.pdf>.

⁵ "The Middle East Pivot to Asia 2022," Asia House, p. 36, <https://asiahouse.org/wp-content/uploads/2022/11/The-Middle-East-Pivot-to-Asia-2022-Digital.pdf>.

⁶ OGASHIWA Yōko 小柏葉子, "Taiheiyōtōsho fōramu no tai-ASEAN gaikō: Fōramu ni yoru ASEAN ninshiki no imi" 太平洋島嶼フォーラムの対 ASEAN 外交—フォーラムによる ASEAN 認識の意味— ["The Diplomacy of the Pacific Islands Forum Toward ASEAN: The Meaning of the Forum's Perception of ASEAN"], 広島平和科学 [*Hiroshima Peace Science*], vol. 27 (2005), pp. 1-22.

⁷ "Indonesia Redoubles its Commitment to Enhance Partnership with the Pacific," <https://kemlu.go.id/portal/en/read/4240/berita/indonesia-redoubles-its-commitment-to-enhance-partnership-with-the-pacific>.

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- ⁸ Aristyo Rizka Darmawan, “Why Indonesia’s engagement with Pacific countries matters,” <https://www.lowyinstitute.org/the-interpreter/why-indonesia-s-engagement-pacific-countries-matters>.
- ⁹ Anna Powles and Joanne Wallis, “Can the Pacific Islands Forum learn anything from ASEAN?” <https://www.eastasiaforum.org/2022/08/14/can-the-pacific-islands-forum-learn-anything-from-asean>.
- ¹⁰ “Deputy Sec-Gen of ASEAN meets Deputy Sec-Gen of Pacific Islands Forum Secretariat over videoconference, April 11, 2023,” <https://asean.org/deputy-sec-gen-of-asean-meets-deputy-sec-gen-of-pacific-islands-forum-secretariat-over-videoconference>.
- ¹¹ “ASEAN to become world’s fourth largest economy by 2030: Singapore PM Lee,” *Singapore Business Review*, <https://sbr.com.sg/economy/asia/asean-become-worlds-fourth-largest-economy-2030-singapore-pm-lee>.
- ¹² “The Middle East Pivot to Asia 2022,” Asia House, pp. 85-86, <https://asiahouse.org/wp-content/uploads/2022/11/The-Middle-East-Pivot-to-Asia-2022-Digital.pdf>.
- ¹³ “Co-Chairs’ Press Statement, The Association of Southeast Asian Nations - Cooperation Council for the Arab States of the Gulf (ASEAN-GCC) Foreign Ministers’ Meeting, New York, 28 September 2019,” <https://asean.org/wp-content/uploads/2021/09/FINAL-Co-Chairs-Press-Statement-for-the-ASEAN-GCC-Foreign-Ministers-Mee...pdf>.
- ¹⁴ “Press Briefing H.E. Retno L. P. Marsudi Minister for Foreign Affairs of the Republic of Indonesia, ASEAN Foreign Ministers’ Retreat (Second Day),” https://kemlu.go.id/portal/en/read/4401/siaran_pers/press-briefing-he-retno-l-p-marsudi-minister-for-foreign-affairs-of-the-republic-of-indonesia-asean-foreign-ministers-retreat-second-day.
- ¹⁵ Ministry of Foreign Affairs of Japan, “AOIP kyōryoku puroguresurepōto gaiyō” AOIP 協カプログレスレポート概要 [“Summary of Progress Report on Cooperation for the AOIP”], <https://www.mofa.go.jp/mofaj/files/100419965.pdf>.

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