

philippine studies

Ateneo de Manila University · Loyola Heights, Quezon City · 1108 Philippines

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Philippine Studies vol. 42, no. 2 (1994): 292–320

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Fri June 27 13:30:20 2008

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Evelyn Tan Cullamar



It is our view that in strengthening its own unity and cooperation, ASEAN not only serves the interests of peace, stability and prosperity in Southeast Asia but also makes a valuable contribution to world peace and security.

This statement was made by Deng Xiaoping of the People's Republic of China during a formal visit to Bangkok in 1978. The Association of Southeast Asian Nations had already made its presence felt in the world even among the communist states like the PROC as early as the 1970s. It has come a long way from its humble beginnings in 1967. An indigenous regional organization, it is composed of Indonesia, Malaysia, the Philippines, Singapore and Thailand with Brunei Darussalam joining the group in 1984. At its founding, it represented collectively the largest bloc of non-communist states in Southeast Asia. It has a total land area of 3,069,581 sq. km. with a population of about 320 million (ASEAN 1991, 3). The region is endowed with rich natural resources and produces large quantities of primary commodities such as tin, petroleum, rubber, palm oil and timber. ASEAN earned praise from its dialogue partners in the recently concluded Post Ministerial Conference in Manila for having posted some of the fastest growth rates in the world. ASEAN nations have exhibited economic dynamism although economically, they are at different stages of development.¹ The region is also strategically located on the principal sea, air and trade routes.

In spite of their heterogeneity in terms of ethnic grouping, religion, language and culture, the ASEAN countries share quite a number of common historical experiences such as Western colonization (with the exception of Thailand), Japanese occupation and subsequent

This article was originally presented at the Japan Institute of International Affairs (JIIA), Tokyo, Japan, 2 October 1992.

independence. After decolonization, five states of Southeast Asia decided to band together and envisioned their association to be "based on the premise that cooperation among nations in the spirit of equality and partnership would bring mutual benefits and stimulate solidarity which can contribute to building the foundations for peace, stability and prosperity" (*10 Years ASEAN* 1978, 9).

Today, the acronym "ASEAN" has become well-known worldwide. But in the first decade of its existence, it did not accomplish much and was not paid much attention. For example, in Japan before 1975, only a few specialists were aware that there was such an organization or interested in studying it. Although a bit exaggerated according to Chng and Hirono, the following remarks of Yano in 1975 illustrate the point:

Before I used to wonder what the term ASEAN stood for. Perhaps it was an abbreviation of an expression which goes in this way: Ambiguous, Strange Entity of an Ad-hoc Nature. But now it is absolutely something different. Perhaps ASEAN now does stand for Almighty Strong Existence of Achieving Nature. This shift of the style of abbreviation symbolizes the importance Japan is now affording this organization. (Chng and Hirono 1984, 108)

On 8 August 1992 ASEAN celebrated its twenty-fifth anniversary. Appropriate festivities were lined up to mark this milestone. The Fourth ASEAN Summit was held in Singapore on 27–28 January and this year was designated "Visit ASEAN Year" (Broinowski, ed. 1990, 243; *Manila Bulletin*, 23 December 1991, p. B-20). The silver anniversary was an occasion both for rejoicing as well as somber reflection. There have been notable endeavors on the history of ASEAN and innumerable articles written on certain aspects of the organization and its relations but few in-depth studies have been done on the whys and wherefores of Philippine participation and for that matter, the participation of the other member states (Okabe 1988; *ASEAN* 1987; Palmer 1987).

This article is, therefore, a modest attempt at a cost-benefit study that aims to find out what motivated the Philippines to join ASEAN and why it continues to be a part of it to this day and considers the challenges and prospects that face ASEAN in the radically changed world of the postwar era. Focusing only on the political and economic aspects, this article will try to reveal the "glue" that Morrison talks about that made the Philippines "stick" to ASEAN (*Southeast Asia*

and the World of Tomorrow 1977, 341). The thesis of this article is that the Philippines gains more than it loses in its ASEAN membership.

ASEAN After Twenty-Five Years

There had been no history of close interaction among the South-east Asian states before the advent of regionalism which is largely a phenomenon of the postwar period. Regionalism is defined as "based on cooperative relations and institutions designed to promote common interests among nations" (Ahn 1980, 106). Starting with regional military alliances like the US-inspired and anti-communist Southeast Asia Treaty Organization (SEATO) in 1954 and the Asia Pacific Council (ASPAC) in 1966, other groups were established such as the Association of Southeast Asia (ASA) in 1961 and the MAPHILINDO in 1963. The former was composed of Malaya, the Philippines and Thailand which floundered within two years because of the Sabah issue which soured relations between the first two members. A brainchild of then President Diosdado Macapagal of the Philippines, the MAPHILINDO was made up of Malaya, the Philippines and Indonesia. However, its demise was brought on by Indonesia's *konfrontasi* with Malaya. Some of the ideas from these two precursors were incorporated in ASEAN (Leifer 1989, 23; Frost 1990, 3-5).

While a treaty established the European Economic Community (EEC), ASEAN was created by way of a declaration. It has no charter or constitution. The association was formed according to the Bangkok Declaration:

to accelerate the economic growth, social progress and cultural development in the region through joint endeavors in the spirit of equality and partnership . . . for a prosperous and peaceful community of South-east Asian nations (ASEAN 1986, 29).

The political and security aspects were downplayed although these were in reality very important considerations. With the foreign ministers as the major decision makers and the participation of the heads of government by 1976, these concerns could not be suppressed, and eventually were formally recognized. In fact, most scholars of ASEAN agree that the organization's greatest achievement so far has been in the political and diplomatic sphere and not in economic cooperation (Chng & Hironò 1984, 108; Hitam 1986, 158; Matsumoto 1980, xii).

The period from the early to mid-1960s was one of considerable political and social upheaval in Southeast Asia. ASEAN was born in the midst of the Vietnam War and Great Britain's decision "to disengage militarily from east of Suez" (Leifer 1989, 24). According to Romulo:

The ASEAN grew out of felt need. If they were to survive the general political instability of that period and solve nearly insuperable problems of economic development, they felt, correctly, that they would have much better prospects of success if they pooled their strengths (Romulo 1982, 11).

There were conflicts and differences even among the members. Hitam recalls:

We were almost strangers to one another. Some of us were almost adversaries. Some of us did not even want to know each other. Many of us were deeply suspicious of each other. There was much goodwill even then but there was also much ill-will (Hitam 1986, 160).

ASEAN was, therefore, not given much chance to succeed by skeptics. The history of its antecedents was not encouraging and the prognosis was not bright for the daughter organization. Some of the adjectives used to describe it were "timid," "ad-hoc," "fragile," "nominal," "inactive," "ambiguous," and "modest" (Mukherji 1987, 69; Matsumoto 1980, xii, 101, *Southeast Asia and the World of Tomorrow* 1977, 8). But it was precisely this vagueness and looseness that made ASEAN flexible and able to adjust to changing circumstances.

In its first nine years of existence, many countries did not pay particular attention to ASEAN. It coasted along without causing many ripples. Then two important developments came about that jolted it from complacency. The communist takeover in 1975 of South Vietnam, Laos and Cambodia changed the regional balance of power. Also the search for economic security in view of the oil crises and the growing global protectionism resulting from serious international financial and economic problems made the ASEAN members do something about the situation. The result was the historic First ASEAN Summit in Bali in 1976. The heads of government have met three more times since then (Kuala Lumpur in 1977, Manila in 1987 and Singapore in 1992). They decided in the last summit to meet every three years with informal meetings in between.

In the original organizational structure of ASEAN, the foreign ministers reigned supreme as members of the highest policy-making body convening annually on a rotational basis in each of their capitals. After 1976, however, considerable changes were made in the organizational structure reflecting the evolutionary nature of the grouping and the increasing emphasis on economic cooperation and the role of the economic ministers. An ASEAN Secretariat was established in Jakarta headed by a Secretary-General whose main duty was planning and coordinating the work of the organization. Each member country has its own National Secretariat.

In decision making, ASEAN adheres to the principle of consensus which can be tortuous and slow. However, recently the formula of "6 minus x" has been adopted, which means that two or more members can move quickly without having to wait for other members to agree. This is especially true for the Common Effective Preferential Tariff (CEPT) which is the mechanism that will lead to the establishment of an ASEAN Free Trade Area (AFTA) within fifteen years (*Manila Bulletin*, 29 January 1992, pp. 1, 13).

ASEAN has become an important actor in the world stage. Its most obvious diplomatic success, especially in the UN, was in dealing with the Indochina problem. ASEAN adheres to the principle of nonintervention and respect for the sovereignty, independence and territorial integrity of nations. However, some ASEAN states have also been accused of violating this principle. The Indonesian takeover of East Timor in 1975, the Sabah issue and other irritants in the bilateral relations between the Philippines and Malaysia with each accusing the other of violating its territory, and the more recent case of the scrambling for islands, coral reefs and atolls in the South China Sea where three ASEAN states are involved. But in 1978, ASEAN's main concern was the violation of this principle by Vietnam when it invaded Kampuchea. The challenge of the Indochina crisis strengthened the political cohesion and solidarity of the association and earned for itself international recognition.

No member state has withdrawn from ASEAN and many have expressed interest in joining it. Even Vietnam which was originally hostile to it had a change of heart and acceded to the Treaty of Amity and Cooperation (TAC) together with Laos during the Twenty-fifth ASEAN Ministerial Meeting (AMM) in Manila in July 1992. From all indications, it will remain a viable grouping in the years to come.

Philippine Participation in ASEAN

No country today can afford to be isolated from the rest of the world. On the other hand, no country would want to be tied to the apron strings of another. In the Cold War era, bipolarism held sway and the Philippines was caught in the web of so-called "special relations" with its former colonizer, the United States. This was shown in her membership in the SEATO. Actually, only the Philippines and Thailand from Southeast Asia were in the SEATO group. To counterbalance its close ties to the US, the Philippines sought Asian links and emphasized its "Asianness." Thus after SEATO, it became a member of two indigenous subregional organization, ASA and MAPHILINDO. When ASEAN was formed, it was a logical progression that the Philippines join it. It was her way of trying to complete the process of independence as well as to pursue genuine national interests. As expressed by then President Marcos (in an address on the occasion of the 84th Foundation Day of the Ministry of Foreign Affairs, 23 June 1982), the Philippines found ASEAN "an Asian Third World grouping with which she can most closely identify culturally, economically and ideologically." It was also seen "as the vehicle for socioeconomic development and political cooperation leading to a peaceful and stable Southeast Asian region" (*Digest* 1980, 42).

In view of the changing conditions in Asia and the world, the Philippines had to adjust accordingly. With the shift to multipolarity, there was a need to reexamine and reassess the Philippine stand and come up with a foreign policy that reflected geopolitical and global realities. The first ten years of the Marcos presidency were a creative and innovative period in Philippine foreign policy. ASEAN came to mean a new hallmark and became one of the cornerstones of that foreign policy. In 1976 Marcos articulated the Eight Postulates to guide the Philippines in its foreign relations. Postulate No. 2 states that "we are to intensify our efforts to make the Association of Southeast Asian Nations a strong and viable regional organization and to promote and expand bilateral relations with the individual members of the ASEAN" (*Presidential Speeches* 6: 1979, 223).

From the start, the Philippines has been deeply involved in ASEAN. It was the first to effect ratification of the ASEAN Concord, the draft of which was authored by Marcos. An early initiative of the Philippines at the Second AMM was for the setting up of a Central Secre-

tariat. The Philippine government was probably the most insistent in issuing calls for greater economic cooperation. The Kuala Lumpur Declaration incorporated some basic Philippine proposals such as an Asian Forum to settle disputes, an ASEAN Constitution and a Regional Payments Union. In 1979 it also submitted new proposals concerned with shipping and ports. Other inputs found their way into the Singapore Declaration such as the Framework Agreement on Enhancing ASEAN Economic Cooperation, a proposal on continuing dialogue to develop a regional consensus on political and security cooperation, the call on UN Secretary-General for an early dispatch of the UN Transitional Authority in Cambodia (UNTAC), Regional Cooperation in the Development of Children and an ASEAN University. These Philippine initiatives are discussed in Ingles (1982, 165); Domingo (1983, 284–85); Palmer (1987, 38). (See also the arrival statement of President Aquino from Singapore, 29 January 1992. Information Sheet, No. 19, Dept. of Foreign Affairs, p. 1).

With domestic problems bedeviling Marcos especially in the 1980s, he lost steam in his commitment to ASEAN and even his avowed independent foreign policy was jettisoned as more and more he relied on the US to prop up his increasingly unpopular regime. According to Shahani, the Ministry of Foreign Affairs by then had become "prisoner of the system perpetrated by martial law and with the trappings of instant superstar diplomacy and the insatiable demands of crony capitalism" (Shahani 1989, 15). The volatile situation in the country caused grave concern among the other ASEAN leaders who did not want it to infect the other countries in the region. They probably heaved a collective sigh of relief when Marcos went into exile in Hawaii. Aquino was catapulted to power by the EDSA Revolution in 1986. The first countries she visited as President were Indonesia and Singapore which showed that she gave primacy and priority to ASEAN. In the opinion of Kuroyanagi, she strengthened the Philippine commitment to the organization by reversing the isolationist trend of the later Marcos era, showed willingness to renounce the Sabah claim and made possible the holding of the Third ASEAN Summit in Manila (in Okabe 1988, 49). She was a virtual unknown to the other ASEAN leaders, most of whom had known each other for a long time, but they stood by her when her government was buffeted by seven coup attempts and by natural disasters.²

The Ramos administration is maintaining the pro-ASEAN stance. He was the Defense Secretary of Aquino and is well-known in ASEAN circles. His father, the late Narciso Ramos, was one of the founding

fathers of the association. Thus at the Twenty-fifth AMM in Manila, Ramos declared: "My first series of visits abroad shall be to our ASEAN neighbors. This feeling arises both from a personal reason and from the Philippine government's continuing commitment to the ideals and objectives of ASEAN" (*Philippine Panorama*, 26 July 1992, p. 4). This feeling was echoed by another second generation ASEAN leader, Roberto Romulo, the Secretary of Foreign Affairs. He believes "ASEAN is the way to go. . . . The Philippines would not have gotten as far had we stood alone without ASEAN" (*Philippine Panorama*, 26 July 1992, p. 18).

Benefits to the Philippines

As an instrument for the collective pursuit of foreign policy goals, ASEAN is subject to assessment by its member states as to its viability as well as the benefits they derive from their membership in it.

The concept of "collective political defense" was propounded by Khoman of Thailand. He explains it this way:

Southeast Asian nations are comparatively weak and small. . . . separately, they represent little, if any significance in world affairs. . . . the erstwhile colonial aloofness and isolation must be overcome and a new sense of regional solidarity and partnership would have to be forged so as to bring those nations together in a movement toward regional cohesiveness and collaboration. If such an objective can be reached their individual weakness and impotence will gradually be replaced by a greater combined strength and their weight noted in the international forum (Morrison & Suhrke 1978, 265).

Kuroyanagi (in Okabe 1988, 53) calls this "a strategy for the weak." Indeed there is strength and safety in numbers. This feeling of being part of a group helps eliminate some of the disadvantages and limitations of small powers. Weak states involved in collaborative efforts sometimes find a solution to their weakness. Psychologically and symbolically, regional cooperation also helps to compensate for decreased power support as in the case of the Philippines which tried to veer away from too close an association with the US and the SEATO image, and sought to be among her own kind and reaffirm her Asian roots. The diplomatic victories of ASEAN in the UN show that one of the best options open to the smaller nations is to take a collective

position that cannot be ignored by one or another big power without the risk of at least strong moral condemnation.

The first instance of ASEAN flexing its economic muscles was in the early 1970s when it tackled Japan on the issue of synthetic rubber production which disadvantaged the ASEAN countries producing natural rubber. This was the start of the Japan-ASEAN Forum. In other international fora like UNCTAD, GATT, and the World Bank, "ASEAN has attempted to gain economic concessions and cooperation from major industrial countries" according to Hirono, thus "ASEAN acted as a collective bargaining unit to bring greater benefits to its member countries than individually possible under bilateral (inter-country) talks" (Hirono 1978-79, 93). ASEAN also effectively argued its case in the international agreements forged on rubber, palm oil, tin and timber." It brought to a satisfactory end the problem it had with Australia's International Civil Aviation Policy (ICAP) in 1978 which hurt some ASEAN air carriers (in Anand and Quisumbing 1981, 240-41).

Pacific settlement of disputes and keeping conflicts to a minimum is provided for in the Treaty of Amity and Cooperation, specifically in Article 13 which states that:

The high contracting parties shall have the determination and good faith to prevent disputes from arising. In case disputes on matters directly affecting them should arise, especially disputes likely to disturb regional peace and harmony, they shall refrain from the threat or use of force and shall at all times settle such disputes among themselves through friendly negotiations (*The ASEAN Report 2: 1979, 9*).

ASEAN did not directly take a hand in settling the Sabah dispute between the Philippines and Malaysia. However, it helped in defusing a tense situation. When then President Marcos announced in Kuala Lumpur in 1977 that the Philippines would take steps toward the dropping of its territorial claim over Sabah, it was a move taken to try to eliminate one of the burdens of ASEAN. Not all conflicts can be avoided, but they can be kept to a minimum and misunderstandings can be cleared through continuing dialogue. This will spare ASEAN countries from incessant feuding and dissipating their energies and resources which can be channeled to nation-building.

On the Spratly issue, the ASEAN foreign ministers issued a declaration emphasizing "the necessity to resolve all sovereignty and jurisdictional issues pertaining to the South China Sea by peaceful means, without resort to force" (ASEAN Declaration on the South China Sea, Philippine Information Paper, 28 July 1992). ASEAN's "quiet

diplomacy" poured oil over troubled waters and went a long way in defusing a potentially explosive situation.

The rights of consultation and assistance were formalized in Article 9 of TAC which provides that:

The high contracting parties shall endeavor to foster cooperation in the furtherance of the cause of peace, harmony and stability in the region. To this end, the high contracting parties shall maintain regular contacts and consultations with one another on international and regional matters with a view to coordinating their views, actions and policies (*The ASEAN Report 2: 1979, 9*).

By consulting with other ASEAN states, the Philippines may be able to exercise some influence over their policies for better coordination. The desideratum is that no country would take unilateral actions that would discredit others or make them uncomfortable. There had been times, however, when moves were made without prior consultations which created discord in the association. An example of this was when President Herzog of Israel was invited to visit Singapore to which the predominantly Muslim countries of Malaysia, Indonesia and Brunei objected (Okabe 1988, 14). Another case was when Prime Minister Mahathir of Malaysia unveiled the East Asia Economic Grouping (EAEG) without first finding out what the ASEAN partners thought of it. Thus the initial reaction to it was not an enthusiastic endorsement by the other ASEAN states. Some even thought it was a duplication of the Asia Pacific Economic Cooperation (APEC) (Low 1991, 376). Consultation is usually sought when one member is trying to negotiate with a third country. The former tries to sound out its partners or inform them of developments. They tend to call on each other before taking trips abroad.

As members of the association, they are duty-bound to help each other and act as behooves members of a "mutual assistance club." The ASEAN partners extended help to the Philippines during the disastrous earthquake in 1990 and the Mt. Pinatubo eruption the next year. They also showed their concern for the economic problems of the country when they supported the Multilateral Aid Initiative (MAI) of 1989 to help bail out the Philippines. This was initiated by the US and contributed to by Japan, the EEC, and Brunei with the other ASEAN states providing technical assistance. Frost claims that "this was the first time ASEAN had sought to cooperate to directly assist the economy of one of its members (Frost 1990, 26; Sudo 1991, 335).

When the Philippines suffered from international liquidity problems, she made use of the ASEAN Swap Arrangement.³ As noted by Paterno (*Southeast Asia and the World of Tomorrow* 1977, 306), the ASEAN members are also "committed to the principle of assisting one another with supplies of essential commodities such as rice and petroleum when any member country finds itself in critical need of these commodities."

ASEAN gives the Philippines a moral boost to be accepted and known as a full partner in a successful organization that is recognized worldwide with its diplomatic successes in the UN and its economic clout effectively wielded in international fora. With membership goes the attendant publicity and exposure. It hosts meetings as well as gets involved in other ASEAN activities. It is also given a chance to showcase its attractions so that tourism receives a boost.

On the home front, being a member of ASEAN lends legitimacy and prestige to the leadership and the government. It also helps defend controversial steps taken, as when Marcos announced the intention to drop the Sabah claim by falling back on the rationale that it was for the sake of regional harmony. For Aquino, the successful convening of the Third ASEAN Summit in Manila, in spite of the challenge posed by her opponents on the left and right of the political spectrum, was a victory that boosted her standing and that of her government. The seriousness of the situation was underscored by then Prime Minister Lee Kuan Yew of Singapore when he stated at the opening of the summit that "if the heads of government had been guided by their security services they would not have come to Manila" (quoted by Frost 1990, 23). Their presence there was an impressive display of ASEAN solidarity and support for Aquino.

States interact through their leaders and representatives. This is especially true with ASEAN. Some even refer to it as a club of ASEAN elites (Okabe 1988, 6). Many of them have known each other from the early years and this familiarity and continuity help in paving the way for smoother relations. Many solutions have been reached through bilateral summitry. Constant rubbing of elbows with their ASEAN counterparts makes the Filipino diplomats, technocrats, academics, businessmen, etc. build "bridges of understanding." Moreover, as Morrison observes, "personal ties and the establishment of patterns of cooperation increase the efficiency and effectiveness of ASEAN cooperation" (in Anand and Quisumbing 1981, 372). Potential hostilities are prevented from erupting through periodic meetings and personal consultations. Hitam argues that "the ASEAN process has played a major role in the creation of a sturdy structure

of mutual predictability, understanding, confidence, trust and goodwill between the ASEAN Six" (1986, 159).

Through ASEAN the Philippines came to know better her neighbors in Asia and was also able to establish contacts with third countries which became "dialogue partners," such as Australia, New Zealand, Canada, the US, Japan, the Republic of Korea as well as the EEC and the UNDP. After the ASEAN Ministerial Meetings, Post Ministerial Meetings are held with these dialogue partners. The foreign ministers of the Russian Federation and the People's Republic of China were guests in the Twenty-fifth AMM in Manila. Papua New Guinea has been an observer in these meetings since 1979.

Before 1976, there was no coherent guideline for ASEAN states to follow in the conduct of their external relations. A blueprint was more or less given in the Declaration of ASEAN Concord and the Treaty of Amity and Cooperation, the two important documents signed by the heads of government in Bali. It is in the field of extra-ASEAN cooperation that the organization has been most successful. Here the "we" feeling predominates and enhances solidarity and cohesion among the member states.

Sometimes the Philippines enjoys benefits not gained through its own efforts, but from the efforts of its partners. This is the "rub-off" or "spill-over" effect. For example, the Philippines expanded foreign contacts through other members' established channels. Its relations with Vietnam were, in the early days, through the auspices of Indonesia which had maintained diplomatic relations with Hanoi throughout the 1960s and early 1970s. By association with the nonaligned country in ASEAN, Indonesia, the Philippines was able to be more flexible in foreign policy, a change from the strait-jacket of earlier bipolarism. It had been remiss in relations with the Middle East. Therefore, it benefited from the presence of the predominantly Muslim countries in ASEAN. This proved a boon during the oil crises when the Philippines got into the good graces of the Arab countries because ASEAN issued a joint statement supporting the Arab cause. The Muslim connection is also useful when the Philippines deals with the Arab states and the Organization of Islamic Countries (OIC) on matters affecting the Muslims in Southern Philippines and the Moro secessionist movement.

As the most dynamic and politically stable bloc in Southeast Asia, except for the Philippines, ASEAN countries have been attracting international investors who help fuel the engines of their economies. These are mainly from Japan, the US and the EEC (Hirono 1978-79,

93). ASEAN is the second most important region for Japanese investment after North America. Japan's direct investment in ASEAN between 1951 and 1991 totalled US\$31.113 billion (*ASEAN-Japan Statistical Pocketbook* 1992, 58–59). Japan is now the world's largest creditor nation and the number one ODA contributor. The high proportion of Japanese ODA that goes to ASEAN is one indication of Japan's high regard for it (Sudo 1991, 333). Even the NIEs like Taiwan, South Korea and Hong Kong have been investing heavily in the region (Low 1991, 378; *Manila Bulletin*, 28 January 1992, p. 6). In the Philippines, the number one trading partner and a major source of investment and aid is still the US, due mainly to historical ties, followed by Japan (Hirono 1990, 40, 43, 50; Broinowski 1990, 40–41). Morrison believes that:

For the dialogue partners, preparations for these meetings have become exercises in finding means of reiterating and augmenting their support for the ASEAN group. Some of the benefits offered ASEAN have been quite substantial, such as Japan's offer of \$1 billion to finance the large-scale industrial projects. Others have been less tangible such as the organization of investment missions or conferences. There is no doubt, however, that ASEAN cooperation has resulted in more material assistance and diplomatic support for the countries than the 5 members would have received acting individually. (in Anand and Quisumbing 1981, 370)

The ASEAN countries are the Davids against the Goliaths of world trade, but together they can wield enough economic clout to force the major industrialized countries to listen to them. This they can do since they produce major primary commodities that the former need to feed their industries. The region is a big market for the products from these developed nations. Thus ASEAN made the first move in settling the problem of synthetic rubber production by Japan which was disadvantageous to some ASEAN countries. Some ASEAN states belong to the "Cairns Group" which is lobbying for freer and fairer trade in agricultural products in the Uruguay Round of GATT negotiations. As Hirono succinctly puts it:

ASEAN countries have raised problems of international economy and economic cooperation through ASEAN not just because they are important and urgent problems but because ASEAN countries are trying to turn to their own benefit talks which cannot be concluded at a bilateral level, by using the group bargaining power of the regional cooperative organization. . . . It is the same principle as individual workers trying

to achieve better wages and working conditions through a labor union. (Hirono 1978, 10)

Economic and political development are desired by all states. With domestic political stability ensured, economic development is envisioned to take place. Marcos saw it this way:

For as long as people are impoverished and wanting, there can be no economic peace. For as long as economic peace is unrealized, there will always be political instability. . . . Economic issues become inextricably intertwined with political issues. The question of developmental requisites for national survival makes economic concerns political as well. (Address of Marcos 1982, 8)

The personnel of the Department of Foreign Affairs (DFA), called Ministry of Foreign Affairs (MFA) during the Marcos era, are understandably staunch advocates of ASEAN and perceive it as a very useful organization in the pursuit of Philippine national interests. In one conference in the Philippines when the issue of the cost of the country's membership in ASEAN was raised, one participant from the DFA had this to say:

I don't think we are frittering money when we attend various meetings and conferences. We do get benefits though they may not be known by the ordinary layman. But among the hardcore businessmen, for instance, when we are able to dismantle a very high tariff duty imposed on coconut oil in a country like Japan or we are able to penetrate the ASEAN market and allow the entry of Philippine bananas or we are able to change the Japanese government's attitude with regard to the use of EDB which is a chemical fumigant, then the benefits are very apparent. (Quisumbing and Soliman 1985, 112)

Philippine foreign policy evolved from dependence on the US brought on by the colonial past, to "special relations," and finally to an independent stance. The following are considered the paramount national interests of the Philippines: the defense of territorial integrity and national sovereignty; the promotion of the social and economic development of the people; and to cooperate with other nations in the maintenance of international peace and security (Castro 1980, 11).

Are Philippine national interests being served by ASEAN? Membership in the grouping enlarged its horizons and its contacts. It was

accepted in Southeast Asia as a sovereign state and not just as an appendage of the US. It became closer to its neighbors as desired in Postulate No. 2 of Marcos and helped in fostering regional harmony and stability. For the Muslim secessionist problem, the Philippines got the needed support from its Muslim connection in ASEAN to deny legitimacy and membership to the Organization of Islamic Countries (OIC) of Misuari's Moro National Liberation Front (MNLF). For economic woes, the Philippines got the helping hand, not just of her ASEAN partners but even those of the dialogue partners which are developed countries. As noted by Solidum (in Quisumbing and Soliman 1985, 112), one of the regional values is that "benefits to one are benefits to all." Not all of the national interests of the Philippines can be served by her ASEAN membership, but it was able to attain some of her foreign policy goals, in the national, regional and the international levels.

Costs Borne by the Philippines

There are tangible as well as intangible variables in a cost-benefit study such as this article has undertaken. Many are difficult to pin down and quantify. Some benefits and costs are financial, others are nonfinancial in nature, i.e., prestige, legitimacy of leaders and government, etc. Some benefits and costs are short-term, others are long-term.

When one belongs to a group, one cannot always do what one likes to do since others have to be considered. This is particularly the case in ASEAN where decisions are reached by consensus. The process is slow and tedious and at times the goal seems elusive and difficult to attain. At other times, it results in inaction or little or no effect. It can also mean "agreement to disagree" (Leifer 1989, 144). As part of ASEAN, the Philippines also entered into treaties and agreements which are binding, so it loses some of her freedom of action. It has to make compromises and accommodations and sometimes surrenders to majority opinions. A classic case is the Sabah claim. The Philippines had been persuaded by her ASEAN partners that it was better to give up the claim. It had been a major irritant in bilateral relations with Malaysia and affected ASEAN as well. Until now, however, the issue has not been resolved to the satisfaction of both parties. The former DFA Secretary, Manglapus, brought it up again to the consternation of the Malaysians (Hirono 1992). To the Malaysian

government, the Sabah problem is "a creation of the Philippine side and hence any effort towards its resolution obviously would have to be initiated by the Philippines" (Somad and Abu Bakar 1992, 567). By bowing to the majority opinion not to actively pursue the claim or to drop it, the Philippines incurred a nonfinancial, long-term "loss" but which could be offset by other gains such as improved relations with Malaysia resulting in possible joint action against piracy, smuggling and border patrol.

There are times when the Philippines gives up some benefits. Or shares them with the other ASEAN states. A case in point here was the Australian ICAP policy implemented in 1979 and its impact on ASEAN. Through its Committee on Trade and Tourism (COTT), ASEAN objected to the plan but Australia went ahead with it. The policy meant a loss of passengers and business in some ASEAN countries. Tourism also suffered. Hurt most was Singapore Airlines, the most effective competitor of QANTAS and British Airways. The Philippine Airlines, on the other hand, would have been affected less and would have benefited from the "fourth freedom" provision. The Philippines and Indonesia were initially offered favorable terms not given to the other ASEAN members. However, the corporate decision was to stand together, and stood up they did to the Australians. The "battle" was long drawn-out and eventually a compromise was reached that reduced the damage to Singapore Airlines and gave some benefits as well to the other ASEAN airlines (in Anand and Quisumbing 1981, 240-41). This was a short-term financial loss to the Philippines but turned out to be a benefit for all of ASEAN in terms of their "victory" in their negotiations with the Australians.

The Philippines had to man additional offices like the National Secretariat, referred to as the Office of ASEAN Affairs, and the Committee on Industry, Mineral and Energy (COIME), one of the five ASEAN Economic Committees. One committee was assigned to each member. This meant personnel had to be hired and salaries paid. Offices had to be put up or rented and other costs had to be shouldered by the government. A Philippine Council on ASEAN Cooperation (PCAC) was also set up in 1986 to serve as an umbrella body on ASEAN functional and economic matters. The DFA budget in 1988 was only .6 percent of the total government budget and ranked tenth in the budgetary hierarchy. Its manpower resources are also small with about 1,900 officers and employees, including those assigned abroad while other departments had as many as 18,000 staff members (disclosed by Castro in Quisumbing and Soliman 1985, 122-23;

Philippines Free Press, 28 January 1988). These meager resources had to be apportioned among the many concerns of the DFA, one of which is ASEAN.

As a result of the Indochinese conflict, refugees created political, economic and social problems in the ASEAN states and other countries outside the region as well as the UN starting in 1978–79. It was decided that refugee processing centers would be set up in Indonesia and the Philippines since they were at the outer fringes and not as pressured as say, Malaysia, by the “boat people.” ASEAN asked the international community to bear the financial costs of the refugees in the camps. The Philippines offered a site in Morong, Bataan, a forest reserve of 300 hectares. The Philippine Refugee Processing Center (PRPC) was inaugurated in 1980. Since late 1988 the average refugee population ranges from 14,000 to 16,000. Over 250,000 refugees have passed through PRPC since 1980.⁴

The Philippines also participates in and hosts other ASEAN activities such as the year-long project, “Visit ASEAN Year,” to boost tourism in the region; the Second ASEAN Travelling Exhibition of Paintings, Photography and Children’s Arts; and the ASEAN-Australian Economic Cooperation Programme II Mid-Term Review to mention a few undertaken this year.⁵ It is hard to quantify all the manhours expended by the personnel of the DFA and all the other departments and offices involved in the projects and activities of ASEAN. Suffice it to say that time, money and efforts expended are considerable. If not for ASEAN, these would have gone to other concerns of the government. All these financial and nonfinancial as well as short-term and long-term costs also generated gains such as providing jobs for Filipinos in the government offices as well as in the PRPC, for example, and also gave them the opportunity to reach out and interact with other peoples, which cannot be measured in financial terms.

As much as possible, the Philippines tries to be actively involved in ASEAN undertakings. Officials and delegates are sent to meetings and other ASEAN-related activities in the country and abroad. Usually two delegates participate in each meeting which generally lasts two days. The ASEAN Secretariat calendared 145 meetings and events for the year 1989–90. Of these twelve were hosted by the Philippines (*Annual Report of the ASEAN Standing Committee 1989–90*, pp. 176–84). According to Ambassador Castro, “the budget spent on international meetings and fora by the MFA is insignificant compared to the total income collected by the MFA (P533 million in 1985–86). What is spent in attending ASEAN conferences is minimal, not even 1 percent of

the ministry's total budget" (in Quisumbing and Soliman 1985, 122). Still, miniscule or not, it is an expense borne by the government that is financially hard-pressed for funds.

When the Philippines hosted the Third ASEAN Summit in Manila on 14–15 December 1987, a National Organizing Committee (NOC) was formed the year before composed of eight subcommittees to see to it that the proceedings flow smoothly.⁶ It was the first time the Philippines took charge of an ASEAN Summit. The original budget was P25,968,278 but was later pared down to P16,900,000 (*The Other Side of the Summit*, 5–11, 13–15). For such a brief summit (reduced to one-and-a-half days due to security reasons), almost all the departments, bureaus and offices of the government were mobilized, especially the security forces.

Financial costs are incurred in terms of the allowances of those attending meetings and conferences as well as plane tickets and other incidental expenses, or in expenses incurred in hosting meetings, like billeting the heads of government in hotels and even providing them with cars for the duration of the meeting. But in return, the Philippines is showcased to the world, tourism revenues will most probably go up and the status, prestige and even legitimacy of the government and the leader are enhanced and assured as happened in the holding of the Third Summit in Manila. New vistas are opened, valuable contacts are made and more opportunities are provided to observe developments abroad for those Filipino delegates who attend these meetings.

It appears that the costs incurred in Philippine membership in ASEAN are short-term ones which in the long run provided benefits as well for the country.

Challenges and Prospects

The policies and directions to be pursued by ASEAN in the coming years will be subject to scrutiny by the Philippines and other member states to see if their national interests dovetail with the directions to be taken. On many issues, the ASEAN members differ in perceptions and solutions which have tested the cohesion of the association.

Expansion of the organization in terms of membership is a double-edged sword. On the one hand, if more states in Southeast Asia join ASEAN, it will become a truly regional organization with

potentials of a bigger resource base, larger market, and embracing more people to become an important economic force in the twenty-first century. On the other hand, it can mean structural adjustments, more disparities, more difficulty in getting consensus, more exasperations and more frustrations.

From the very beginning, the ASEAN states have maintained their willingness to cooperate with Vietnam and the other Indo-chinese states. The Treaty of Amity and Cooperation was intended to accommodate eventually all the states of the region willing to accede to it. Sri Lanka and Papua New Guinea had expressed their desire to be a part of the group, but in spite of the avowed "openness," ASEAN has been rather cautious in considering potential new members, even in broadening the dialogue relationships. The rejection of Sri Lanka was due to the fact that it really belongs to South Asia rather than to Southeast Asia. In the Twenty-fifth AMM, Vietnam and Laos acceded to TAC which is the first step towards membership. The hope is for Kampuchea and even Burma to eventually join the grouping to make it G-10 instead of G-6. It seems ASEAN is moving toward a bigger association in spite of its earlier reservations. It appears the Philippines is also in favor of a larger ASEAN. In her closing statement in the Singapore Summit, Aquino expressed the hope "that the next ASEAN Summit will be a larger gathering of friends as more of our neighbors in the region accede to the ASEAN Treaty of Amity and Cooperation."

The two successful organizations, EEC and ASEAN, were conceived for different purposes. The former was for regional integration while the latter was for regional cooperation (Chng and Hirono 1984, 109; Quisumbing and Soliman 1985, 180-82). The EEC has a European Council, a Commission, a Parliament and a Court. ASEAN is perceived to be a loose association of sovereign states. As Indorf (1984, 82) observes, "ASEAN's interest is a compound of national interests."

There was no Secretariat for ASEAN in the beginning. But in 1968 the Philippines was the first to suggest a more cohesive administration for ASEAN. "Manila has shown a keen interest in a more legalized, centralized and productively organized association" (Indorf 1984, 66). The Bali Summit led to the creation of an ASEAN Secretariat in Jakarta with a Secretary-General whose job was characterized as "mail-box coordination with a lack of responsibility, inadequate funds and a limited staff" (Indorf 1984, 68). This has been frustrating to the Secretaries-General as well as to some officials and especially the private sector involved in ASEAN. According to Ambassador Ramel:

If you have a grouping of six nations with the objective of promoting economic development, I think it is necessary first and foremost to have an effective organization. The stumbling block to the establishment of an effective organization is the fear of the member countries to give up part of their sovereign rights to a supranational structure (as quoted in Quisumbing and Soliman 1985, 22)

The late David Sycip, a Filipino businessman who was an active participant in many ASEAN meetings, also bewailed the fact that "there is a great deal of jealousy about political sovereignty of each country. It took the private sector years to persuade ASEAN to get away from requiring the consensus of five original members" (as quoted in Quisumbing and Soliman 1985, 22).

The Singapore Summit and the succeeding Twenty-fifth AMM moved for the strengthening of the ASEAN Secretariat. The Secretary-General will be given ministerial status and will serve as spokesman and representative of ASEAN and not just of the Secretariat. His tenure will be five years. He will have an "enhanced status and enlarged mandate with the concomitant increase in the number of staff." Still in terms of the authority he can wield, he is a far cry from the President of the Council of Ministers of the EC.

In the annual report of the ASEAN Standing Committee for 1989-90, a new development was noted among the ASEAN researchers and scholars. This was the increasing interest in ASEAN's role and stand in APEC (*Annual Report of the ASEAN Standing Committee 1989-90*, 175). The Asia Pacific Economic Cooperation is a fifteen-country forum made up of the ASEAN states and developed countries which happen to be the dialogue partners of the former minus the EEC, but added to the grouping are China, Hong Kong and Taiwan. It was the Australian Prime Minister, Bob Hawke, who in 1989 initiated its formation "to link Asian-Pacific countries in a loose consultative forum on regional economic concerns" (*Asian Wall Street Journal*, 10 September 1992, 1). It has been contended that trade is at the heart of APEC but more recently, the Australian Prime Minister, Paul Keating, proposed to discuss "politics and security as well as economics and trade" (*The Japan Times*, 22 September 1992, 3).

At the outset, ASEAN had some reservations about APEC but also saw its potential. As pointed out by Elek, the value of APEC for ASEAN is that it is "the means for its currently less developed participants to project their economic interests to the rest of the world" (1991, 328). In Aquino's address during the Fourth ASEAN Summit, she under-

scored the fact that the Philippines "considers ASEAN's participation in APEC highly important" (opening statement of Pres. Aquino at the Fourth ASEAN Summit, Singapore, 27 January 1992, p. 1). This is not the same position taken by Malaysia which has been the most vocal and critical of APEC. Prime Minister Mahathir fears that "ASEAN's influence could be overshadowed by APEC." He was "still very worried that APEC might not serve the purposes of the region" (*Asian Wall Street Journal*, 10 September 1992, p. 1). The apprehension is that ASEAN will be dominated by its most powerful members especially the US. As early as 1990, Mahathir had proposed the East Asia Economic Grouping (EAEG), later renamed East Asia Economic Caucus (EAEC) in ASEAN, not as a trading bloc, but "rather a low level economic alliance, a pressure group or a 'megaphone to magnify' the group's voice at the Uruguay Round for instance" (Low 1991, 375). It is intended to complement and supplement ASEAN and APEC. It tries to anchor Japan to East Asia, but excludes the US, Australia and New Zealand. Thus the US is opposed to EAEC and Japan is ambivalent towards it. The other ASEAN states' initial response to it was cool, although Singapore eventually came around to support it. Mahathir's concept would probably have gotten a stronger endorsement from the ASEAN partners had he first consulted with them before unveiling the proposal (Low 1991, 376). According to Low, ASEAN supports APEC on the following conditions: ASEAN's identity and cohesion should not be eroded and all its cooperative efforts should be preserved. As APEC includes developing and developed countries, it should be based on the principles of equality, equity and mutual benefit. It should not be an inward looking trade bloc but instead should serve to strengthen the multilateral economic and trading system. APEC should be a forum for consultations and constructive discussions of economic issues through dialogues rather than through unilateral or bilateral measures. It should enhance the individual and collective capacity of participants and articulate them in multilateral fora, and should take a gradual and pragmatic approach with regard to its eventual institutional structure and membership (1991, 380).

ASEAN's role in APEC has been recognized and ASEAN members host every second meeting. In the recently concluded APEC meeting in Bangkok, the site of the APEC Secretariat was discussed and three ASEAN capitals competed to bid for the site: Singapore, Bangkok and Jakarta (*Asian Wall Street Journal*, 10 September 1992, 9).

Before 1976, economic cooperation in ASEAN did not make much headway. After the Bali Summit, it gained momentum with the

increasing importance of the economic ministers who directed the operation through the five Economic Committees. Although the ASEAN countries are in different stages of development, they are generally agriculture-based economies, with the exception of Singapore. As major sources of primary commodities, they are largely export-oriented and engaged mostly in extractive industries. The trade pattern of ASEAN was partly shaped by colonial economic influence, so for the Philippines the US is still its leading trade partner. Mahathir noted that "the volume of intra-ASEAN trade remains at a low 20 percent of ASEAN's total trade despite an increase in the number of products under the ASEAN Preferential Trading Arrangement" (Mahathir's inaugural address at the Twenty-fourth AMM, Kuala Lumpur, 19 July 1991, p. 10). Intra-ASEAN investment is also nothing to crow about. Some of the reasons advanced for this state of affairs are that ASEAN countries' resources and products are largely similar and they are very dependent on extra-ASEAN trading partners. There is also the economic nationalism of the member states that impedes cooperation. For example, Indonesia has been the most reluctant to share markets because she wanted to protect her fledgling industries from foreign competition.

ASEAN economic cooperation embraces both intra-ASEAN and extra-ASEAN undertakings. Some of the major intra-ASEAN economic cooperation schemes have been the Preferential Trading Arrangements (PTA) launched in 1977 in Manila, the ASEAN Industrial Projects (AIP) of the public sector and the ASEAN Industrial Complementation Programme (AIC) of the private sector.⁸ Some shortcomings of the PTA have been noted. Firstly, the products in the lists are not those traded in substantial volume. Secondly, how effective really are the tariff cuts in promoting intra-ASEAN trade? There are constraints as to how far the liberalization can go without adversely affecting the economies of the ASEAN states. Besides, mere removal of tariff barriers may not necessarily lead to an increase in intra-ASEAN trade since other barriers and obstacles may inhibit trade such as red tape, high administrative costs and others.

The AIP was a trail-blazer since it was the first time that five countries in Southeast Asia got together in joint ventures. This "package deal" involved five large industrial projects for each ASEAN country, but only the two urea projects in Indonesia and Malaysia took off the ground. Like the PTA, the AIP encountered snags, some difficult to untangle. In the first place, the projects were hastily decided on without thorough study and consideration of all aspects. The projects

were large-scale, high-technology and capital-intensive. The deal was attractively packaged to be acceptable to the countries concerned even if these AIPs were not their priorities and did not necessarily jibe with their national interests.

Through the ASEAN-Chambers of Commerce and Industry (CCI) set up in 1971, the private sector in ASEAN has been actively involved in economic cooperation. The working group on industrial complementation came up with two projects on automotive parts and food processing. Through the industry clubs, the ASEAN-CCI taps the private sector and tries to mobilize them in complementing and strengthening the government's efforts in regional economic cooperation. Progress is slow, however. The private sector tends to lay the blame on the government for foot-dragging and red tape. They chafe at restrictions and believe they could probably accomplish more if given more freedom and leeway to do things their way.

In spite of the flurry of activities to promote intra-ASEAN economic cooperation, it is in the field of extra-ASEAN economic cooperation through their dialogue partners and in negotiations with UNCTAD and other international fora that ASEAN has been most successful. In fact, most of the fruitful endeavors of ASEAN have been externally-induced. Even the major industrial projects received external financing.

The Singapore Summit came up with AFTA which is perceived to be "ASEAN's response to economic regionalism with protective tendencies, Europe 1992 and NAFTA" (Luhulima 1992, 214). It is to be realized within fifteen years and the implementation will start in 1993. The road is not smooth for AFTA, since many businessmen in the region are already lobbying for exemption, especially those used to protectionist policies (*The Daily Yomiuri*, 20 July 1992, p. 3). Uncompetitive industries will surely suffer once AFTA gets underway.

Another concept that has been discussed in ASEAN is that of "growth triangles." It "recognizes the supremacy of the market over the bureaucracy and the effectiveness of outward oriented strategy over import substituting policy for development." Moreover, according to Low, "with the internationalization of production and trade, the age of borderless manufacturing, markets, and goods and labour is something which ASEAN must not fail to recognize and respond to" (1991, 376). In spite of the importance given to economic cooperation, formidable obstacles stand in the way of its realization. As Mahathir, in his inaugural address at the Twenty-fourth AMM, Kuala Lumpur (19 July 1991, 10) aptly puts it:

There are many structural factors that inhibit our economic integration such as our different levels of economic development, our competing economies, our lack of industrial complementation and our frequently divergent perceptions of short and long-term benefits both for the individual nation and the region.

Ultimately, economic cooperation in ASEAN should be enhanced in such a way that it would benefit not only the elites but more importantly, the marginalized sector of ASEAN societies.

Regional security has been an important concern of ASEAN from the very beginning as shown by her preoccupation with the Indochina problem. However, this was not explicitly stated, partly because of its desire to distance itself from military alliances like SEATO and also because security was perceived to be not just military in nature. It means the "enjoyment by the people in the region of the values of peace, prosperity, stability which should be achieved through cooperation and national and regional resilience" (Solidum and Morales 1982, 28).

There is defense cooperation, but on a non-ASEAN basis. There are bilateral security ties between these states such as joint military training and exercises, exchange of intelligence and information, joint patrols, etc. The Philippines and Indonesia have a joint naval cooperation agreement and Singapore and the Philippines signed a military training agreement (Pacho 1980, 38). ASEAN states have been more concerned with internal rather than external threats. However, to solve the problem of external interference, ASEAN adopted the concept propounded by Malaysia of the Zone of Peace, Freedom and Neutrality (ZOPFAN) enunciated in 1971. A corollary concept was the Southeast Asia Nuclear Weapon Free Zone (SEANWFZ) which came out of the Manila Summit despite the misgivings of some of the members (Huxley 1990, 85, 103). These, however, did not go far beyond rhetoric since they did not get the guarantees of the superpowers, especially the US. In spite of American assurances that "the US is committed to maintaining a continuous operational and deterrent capability in Asia," (*Mainichi Daily News*, 13 July 1991, p. 2) even with their withdrawal from the Philippines, there is apprehension that the possible power vacuum will be filled by other regional powers such as China, Japan and India. China has been flexing its muscles in the South China Sea and there has been rapid increases in its armed strength. A defense build-up has also been noted and "seven of the world's top 15 defense spenders are in Asia" (*The Nikkei Weekly*, 18 July 1992, p. 6)

The Philippines was at the forefront of raising regional security concerns as early as the Twenty-third AMM in Jakarta in 1990. In the Singapore Summit, security cooperation was for the first time on the ASEAN agenda. The developments in the global and regional levels may, at the moment, seem benign and favorable to ASEAN with the end of the Cold War and the rapprochement and lessening of tensions between the US and China and the break-up of the Soviet Union. But local conflicts have remained. The Kampuchea issue is still not resolved and the South China Sea is a problematic area that will engage the attention of ASEAN in this decade and possibly the next.

With multipolarity, ASEAN cannot remain isolated from the rest of the Asia-Pacific region. It is a member of APEC and there are moves to include political and security issues on top of the economic concerns. More and more calls are made for regional security consultations "to enhance confidence and dissipate possible tensions" (*Mainichi Daily News*, 25 July 1992, p.1). An Asia-Pacific version of the Conference on Security and Cooperation in Europe (CSCE) is in the offing if these calls are heeded.

A potential powderkeg in Asia is the South China Sea where the Spratly Archipelago is located. It "covers a sea area of more than 250,000 sq. km. and is made up of more than 230 barren islets, reefs, sandbars and atolls. . . . About 20 protrude above sea level. . . . The largest is only 43 sq. km. in size" (Chang 1990, 20, 22). For historic, economic, strategic and security considerations, the Spratlys have been claimed by six countries. Two of them, PROC and Vietnam, lay claim to all of the islands, while the Philippines occupies some of the larger islands in what it claims to be the Kalayaan Island Group. Malaysia claims about a dozen of them while Taiwan is in possession of one and so is Brunei (Chang 1990, 20, 22). With the oil crisis in 1973, the scramble for the islands and islets began because they are suspected of containing huge undersea deposits of natural gas and oil. They are also rich in marine resources. The most aggressive among the claimants is PROC and it already clashed with Vietnam in 1988 (*Far Eastern Economic Review*, 13 August 1992, pp. 14-17). Three of the claimants are ASEAN states and so in the Twenty-fifth AMM, the Spratly issue hugged the limelight. A negotiated settlement is possibly the best course of action in the situation and all the claimants, except for Taiwan, have shown willingness to sit down and talk instead of resorting to force. There is even a proposal to jointly develop the islands, but a solution that will satisfy all the parties is difficult to arrive at. As Indorf points out, "the territorial imperative

is still the greatest disruptive element in Southeast Asia today. . . . the reason is that territorial rights are the very essence of statehood" (Indorf 1984, 82).

Conclusion

States vary in their ability to mobilize and manage organizations in the pursuit of their national interests. These organizations, in turn, vary in the degree to which they can be used. Collaboration and cooperation, rather than manipulation, have been found effective in ASEAN. Rather than individually "managing" the organization toward certain ends, it is more advantageous to work to create or maintain conditions which can collectively generate and oversee organizational policy and collectively share in the benefits. But it is not always easy to please everybody in a union as heterogeneous as ASEAN. In trying to accommodate the interests of all members, it sometimes gets bogged down and inaction results. The ASEAN countries have different national interests and priorities, but it is to the credit of ASEAN that it tried to create and project the image of unity in diversity. It has surmounted a lot of problems, but some dilemmas remain unresolved. It sometimes has to walk a tight-rope. In the economic field, for instance, a balance will have to be struck in sustaining economic growth and ameliorating existing economic imbalances while trying at the same time to encourage freer trade within the region. Some significant achievements have been accomplished in economic cooperation but more has to be done to attain the goal enunciated in the Bangkok Declaration. Extra-ASEAN trade far outstrips intra-ASEAN trade. Since they are less contentious, it is in their external relations that ASEAN countries have been most successful and cooperation most effective. There is a danger in this if the member states value their external relations more than those within the region. Lee Kuan Yew has warned that ASEAN will have to resist short-term benefits offered individually against the long-term losses which will result in weakening ASEAN unity and bargaining strength. Divisive forces have been at work, but ASEAN has shown endurance for survival. Other states and blocs that largely ignored ASEAN when it first met are now sitting up and taking notice.

The Philippines both gains and loses in its membership in ASEAN, but on the final balance sheet, the benefits gained far outweigh the costs. The Philippine leadership, from Marcos to Aquino to Ramos, continues to believe in the viability of the organization and that Philip-

pine participation in the association jibes with national interests as evidenced in foreign policy goals. Until it ceases to do so, the Philippines will retain her membership in ASEAN. The alternative is for the Philippines to go about its business alone.

Notes

1. Statements by Douglas Hurd, President of the Council of Ministers of the European Community; Don McKinnon, Minister of Foreign Affairs and Trade of New Zealand; and Lee Sang-Ock, Minister of Foreign Affairs of the Republic of Korea. See also Chng and Hirono (1984, 13, 15); *Manila Bulletin*, 23 January 1992, p. 7.

2. Mahathir of Malaysia and Chatchai of Thailand sent messages of support to President Aquino at the height of the December 1989 coup attempt. See *Foreign Broadcast Information Service* (Daily Report), FBIS-EAS-89-231, 4 December 1989, p. 22 and FBIS-EAS-29-232, 5 December 1989, p. 58.

3. The arrangement provides for short-term currency swap facilities among members to help tide them over temporary international liquidity problems arising from a balance of payments deficit, for example. The Swap Fund is \$200 million and maximum credit allowed is \$40 million for a one, two or three-month period with the option of one renewal. Chatterjee (1990, 73). See also Quisumbing and Soliman (1985, 80).

4. *Philippine Refugee Processing Center* (Quezon City: National Housing Authority, 1982), p. 3; *Fact Sheet*, International Catholic Migration Commission (ICMC) in PRPC.

5. ASEAN-Philippines: Weekly Highlights of Activities, Information Sheet No. 13, 18 February 1992 (Manila: Office of ASEAN Affairs, Department of Foreign Affairs).

6. The 8 sub-committees of the NOC were: 1) Accommodation; 2) Budget, Equipment and Supplies; 3) Conference Services; 4) Information Services; 5) Programs, Reception and Departure; 6) Security; 7) Socials and Cultural Events and 8) Transportation.

Even ten hospitals were tapped just in case their services will be needed. A book was put out later by the Department of Foreign Affairs entitled *The Other Side of the Summit* to serve as a guideline for succeeding meetings of such magnitude.

7. Joint Communique of the Fifteenth AMM. See also Protocol amending the Agreement on the Establishment of the ASEAN Secretariat, Manila, 22 July 1992.

8. An excellent discussion of the successes and failures of ASEAN economic cooperation is in Hirono's article "Towards Increased Intra-ASEAN Economic Cooperation," pp. 97-111.

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