The Second US-ASEAN Leaders Meeting: Pitstop or Plateau?

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Perhaps the most significant achievement of the second US-ASEAN Leaders Meeting co-chaired by the United States and Vietnam on September 24 was that it happened at all. For several months, the timing and venue of the event were a source of debate and concern. As the 2010 chair of ASEAN, Vietnam extended an invitation to President Obama to visit Hanoi and to conduct the second US-ASEAN summit there. However, Obama’s crowded Asia travel schedule this year, which includes Japan, South Korea, India, and a long-delayed visit to Indonesia, cast doubt on that prospect from the beginning. When it became clear that the meeting would be held in the United States, the choice was between Washington, where US-ASEAN relations would register a higher profile, and New York City, where many ASEAN heads of state had already been scheduled for the United Nations General Assembly.

In early September, Washington settled on New York. If that venue made logistical sense, it also obviated the need for US policymakers to issue a permit to Burma’s foreign minister and representative at the summit, Nayan Win, to travel beyond his 25-mile limit to participate in a meeting in Washington. This decision would have been controversial in some quarters of the Washington policy community. Last-minute suspense emerged on the ASEAN side when Indonesian President Susilo Bambang Yudhoyono decided not to attend the summit, deploying Vice President Boediono in his stead. Although he cited a scheduling conflict, many view Yudhoyono’s decision as a criticism of Washington’s handling of the summit and of Obama’s multiple postponements of his visit to Indonesia.

It may be a sign of lingering mistrust that, for a brief period, these low-level diplomatic skirmishes obscured the very real advances in US-ASEAN relations in recent years: the creation of the position of US Ambassador for ASEAN Affairs; the negotiation of a US-ASEAN Trade and Investment Framework Agreement (TIFA); the introduction, at Washington’s urging, of joint humanitarian response exercises under the auspices of the ASEAN Regional Forum (ARF); the US accession to the ASEAN Treaty of Amity and Commerce (TAC); more robust and high-level US participation in the ARF; and the establishment of an annual US-ASEAN Leaders meeting. Moreover, stronger US-ASEAN relations have afforded the United States a stepping stone to an enhanced role in the Asia Pacific region. Signing the TAC has led to Washington’s entry into the East Asia Summit (EAS), to be formalized in 2011 with President Obama in attendance. Furthermore, EAS membership will also have an immediate and positive impact on US-ASEAN relations, as the United States and ASEAN countries can now schedule summits on the margins of the annual EAS meeting.

Although summits are highly scripted and seldom yield surprises, insights into some key issues are embedded in the language of the encyclopedic joint statement from the US-ASEAN Leaders Meeting:
“The ADMM-Plus and the EAS demonstrate to US policymakers the value of an ASEAN-led regional process, but infusing the more narrow US-ASEAN relationship with that dynamism will be more difficult. This will surely be an underlying issue in President Obama’s discussions with his Indonesian counterpart in Jakarta in November.”

Although attention was paid to maritime issues through an affirmation of the importance of maritime security, the UN Convention on the Law of the Sea, and peaceful resolution of disputes, specific mention of the South China Sea—the most explosive issue at the ARF meeting in Hanoi—was missing. Maritime ASEAN states with claims in the South China Sea—Vietnam, Malaysia, the Philippines, and Brunei—are outnumbered by maritime Southeast Asian countries without that specific interest, joined of course by landlocked Laos. At this juncture, further action on managing claims will fall on ASEAN and China to return to the 2002 Declaration on the Code of Conduct on the South China Sea, with the goal of forging a more binding agreement. Talks between Beijing and ASEAN governments have commenced, but it is too soon to tell if Beijing will accept the restrictions of a more formalized arrangement.

The statement notes lessons learned in the recovery from two major economic crises, in 1997 and 2008, and points to a 28% increase in two-way US-ASEAN trade in 2010 over the previous year. The two sides vowed to build on the US-ASEAN TIFA. However, the lack of language referring to a US-ASEAN free trade agreement in even the distant future is striking, in view of the notional FTA agreements ASEAN is currently negotiating with other external partners. Nor was there any mention of the Trans-Pacific Trade Partnership (TPP), Washington’s preferred vehicle for regional trade liberalization. This careful choreography reflects a stark reality: In the present US domestic political climate and with uneven US bilateral relations in Southeast Asia, a US-ASEAN FTA will not be on the table for the foreseeable future, nor is it clear at this time that the TPP will substitute for one.

Language was recycled from previous meetings on the need for Myanmar to ensure that its November elections meet international standards. However, ASEAN states also lauded the United States’ new engagement policy with Myanmar, into which some nervousness might be read. Officials on both sides of the Pacific have expressed fears that divisions between the United States and the European Union on the one hand and ASEAN as well as Asia Pacific powers on the other will widen over recognition of a new government in Myanmar after the elections.

The most intriguing reference in the summit statement was to the prospect of elevating US-ASEAN relations “to a strategic level.” The notion of a US-ASEAN Strategic Partnership had been floated informally in documents exchanged before the meeting. In the coming year, the United States and ASEAN will attempt to give form to that concept at the regional level as the organization considers a new five-year joint plan of action.

This raises the deeper question of what would constitute a stronger and more formal US-ASEAN relationship and, with power relations increasingly fluid in the region, whether either side would be willing and able to enter into one. With no US-ASEAN FTA in sight, and the US-Myanmar bilateral relationship still not fully normalized, most of the low-hanging fruits in US-ASEAN relations have already been gathered at this juncture.

At the same time, both sides benefit from an expanding regional framework for which ASEAN remains the central organizing factor. For example, the ASEAN Defense Ministers Meeting-Plus (ADMM-Plus) process, in which the United States participated, offers the chance to formalize a defense dialogue in the region that, to date, has been handled in a more ad hoc process through the Shangri-La Dialogue.

The ADMM-Plus and the EAS demonstrate to US policymakers the value of an ASEAN-led regional process, but infusing the more narrow US-ASEAN relationship with that dynamism will be more difficult. This will surely be an underlying issue in President Obama’s discussions with his Indonesian counterpart in Jakarta in November. With the third US-ASEAN Leaders Meeting now scheduled to take place in Indonesia in 2011 on the margins of the EAS summit, the Obama-Yudhoyono dialogue over the next year will have a tangible impact, one way or another, on the future shape of US-ASEAN relations.

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