CHAPTER IV

MANAGING INTRA-GROUP CONFLICTS:
ASEAN EXPERIENCES

In the process of its development, ASEAN had to deal with a number of crises which, at times, even threatened to shatter the very foundation of the Association. The organisation even now continues to witness occasional turbulence in inter-state relations among its members. However, the most difficult task that the ASEAN countries faced was the proper management of numerous intra-group conflicts. Central to all these was a persistent attempt on the part of ASEAN countries "to cultivate a habit of harmony within the extended set of multilateral relationships" so that, in course of time, the issues of bilateral discord could be transformed into those of mutual co-operation. It is in this backdrop and also for the convenience of our analysis that the ASEAN experiences of the management of intra-group conflicts would be discussed under three broad themes. These are: a. Defusing crises; b. Management of conflicts; and c. Reconciliation of divergent perceptions and priorities.

4.1 Defusing Crises

The formation of ASEAN was followed by the re-emergence of acute tensions among the member-states, which dramatically changed the restored relationship for the worse to the extent that the viability of the Association appeared to be at risk. In this regard, two crises in inter-state relations involving four of ASEAN's five founding members deserve particular attention. These are: one between Malaysia and the Philippines and the other between Indonesia and Singapore.

1987, and that between Malaysia and Indonesia established in 1991 to manage issues other than those falling within the purview of the GBC are also devices to reduce conflicts and manage issues among the countries concerned. A similar Commission may also be established between Malaysia and the Philippines. They have proved to be quite effective devices for managing issues such as conflict over fisheries and boundaries.36

'Mixed' or Unofficial processes for bilateral consultation and for frank exchange of views and suggestions regarding prevailing issues also exist between most of ASEAN countries, such as, Malaysia and Indonesia, Malaysia and Thailand, Malaysia and Singapore, and Singapore and Indonesia. Organised and, often, led as well by ASEAN-recognised Institutes of Strategic and International Studies and comprising ministers, civil and military officials (participating in their personal capacity) as well as representatives from the academia, media, business community and other concerned professionals, such frank exchange of views and suggestions proved to be highly useful in discussing 'sensitive' bilateral issues with less restraint and more candour.37

3.2.3 Third-Party Mediation

During the formative period of ASEAN, instances of rather well-publicised mediation to defuse recurrent crises in relations between Malaysia and the Philippines have drawn considerable attention on the part of media and academia. So is Thailand's role in bringing the regional countries together to form ASEAN. At the moment, with the development of so many bilateral mechanisms for conflict management and the institutionalisation of a so well-defined mediatory role for the High Council, the scope for a third ASEAN country to mediate disputes between two of its partners in co-operation is significantly reduced. However, in case when the situation demands, third-party mediation continues to remain as an option for managing intra-group conflicts in ASEAN.


37. Ibid., p.212.
3.2.3 Arbitration

The Treaty of Amity and Co-operation in Southeast Asia included a provision titled 'Pacific Settlement of Disputes' (Articles 13-17), which established a specific mechanism (High Council) and concrete procedures for the settlement of disputes. This, in effect, is the institutionalisation of arbitration as a mechanism for the settlement of disputes. As stipulated in the 'Pacific Settlement of Disputes', in the event of a dispute, a High Council comprising of a representative at ministerial level from each ASEAN state would be set up to take cognisance of the existence of the dispute. In the event, no solution is reached through direct negotiations, the High Council shall recommend 'appropriate means of settlement such as good offices, mediation, inquiry or conciliation'. With the agreement of both the parties, the High Council acts as a mediator. However, this should not preclude the other countries not party to the dispute from offering all possible assistance to settle the dispute. "Parties to the disputes should be well disposed towards such offers of assistance". This has made the High Council look more like a mechanism for arbitration than that for third-party mediation. Since 1976, the High Council has never been called into existence.

As it appears, the High Council is of no practical use in the present context. First of all, while assuming the task of a virtual arbitrator, it remains an exclusively political body, not a judicial one. This undermines its ability to conduct arbitration. More important, the pattern of behaviour as displayed by ASEAN countries suggest that they even do not consider the High Council to be of a politically feasible option for dealing with intra-group conflicts. Malaysia, being involved in disputes with almost all of its neighbours, could very well harbour suspicion that in case all these disputes are considered by the High council, its neighbours may gang-up and reach a decision at the expense of Kuala Lumpur. On the other hand, all the ASEAN countries continue to display a distinct unwillingness to be involved in the disputes between their neighbours as an arbitrator. In the circumstances, it is highly unlikely that the

ASEAN countries would resort to the High Council for the settlement of intra-group disputes. Such an impression is further reinforced by the fact that recently, two disputes – one between Malaysia and Singapore over Pulau Batu Putih (Pedra Branca) island and the other between Indonesia and Malaysia over the Sipadan and Ligitan islands – were referred by the disputants to the International Court of Justice. This clearly indicates that the ASEAN countries are yet to gain mutual confidence enough to resort to the High Council for the settlement of disputes.

Thus, even with the Bali summit and everything that goes with it, the mechanism for the management of intra-group conflicts that came to prevail in ASEAN remained considerably informal and discreet. Over the years, it developed in response to specific conflicts and crises which ASEAN countries faced in the way of their co-operative endeavours. It was developed almost exclusively by the practitioners with the least involvement of the political pundits dealing with conflict management.

All these pose considerable difficulty for the researchers to analyse the mechanism or categorise it against the backdrop of prevailing theories on the subject, particularly those in the West. Such an ambiguity is even further reinforced by the fact that ASEAN leaders or diplomats hardly discuss the way they are managing conflicts among the member-states. Even the media and academia are not much different. As a consequence, considerable ambiguity came to persist around not only the ASEAN mechanism for the management of intra-group conflicts, but also the nature and content of the overall strategic arrangement reached among the ASEAN member-states. Even a researcher from the ASEAN region referred to ASEAN as an acronym for “Ad hoc Strategic Entity of Ambiguous Nature”. However, as it would be discussed further, such an ambiguity served as a source of strength, not weakness, allowing the Association to display in practice flexibility and pragmatism par excellence.

designed to foster the process of co-operation on the one hand, and to deal with the emergence or exacerbation of bilateral disputes on the other, is effectively operative.

At the ASEAN (multi-lateral) level, this framework includes periodic meetings among heads of governments (at least once in three years beginning with the January 1992 Summit), annual and *ad hoc* meetings among foreign ministers, meetings among economic and other ministers, annual and *ad hoc* meetings between senior officials, and the establishment of a Standing Committee and numerous other *ad hoc* committees. This framework facilitates an increasing number of meetings and discussions among ASEAN officials at various levels. The number of such interactions is currently estimated to be up to 230 every year. These meetings play a crucial role in learning about each other's interests and sensitivities, creating mutual understanding and ameliorating differences.

While multi-lateral framework for consultation is significantly active this days, most of the intra-group disputes and conflicts in ASEAN are primarily dealt with at the bilateral level. This is facilitated by a broad framework for consultation/negotiation at the bilateral level. Bilateral mechanism for conflict management takes various forms. One is *ad hoc* political and diplomatic dialogue, which may culminate at the level of heads of governments. Another is the co-operation between the defence establishments in the form of periodic and *ad hoc* meetings, exchange of ideas and information (including intelligence information), mutual exchange of defence personnel and others. This is important for confidence-building, transparency and approximation of threat perception.

Particular attention also deserves the long-established General Border Committees (GBC) between Malaysia and Thailand, as well as Malaysia and Indonesia. The Joint Commissions between Malaysia and Thailand established in

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35. Hoang Anh Tuan, "ASEAN Dispute Management: Implications for Vietnam and Expanded ASEAN", *Contemporary Southeast Asia*, (Vol.18, No.1, June 1996), p.67
The formation of ASEAN was preceded by the normalisation of relations between Malaysia and the Philippines culminating in the restoration of diplomatic relations and the exchange of ambassadors in June 1966. Following the establishment of ASEAN, interactions between the two countries increased and their relations displayed some signs of improvement. It is worth mentioning that during his visit to the Philippines on December 16-20, 1967, Malaysian Deputy Prime Minister, Tun Abdul Razak asked President Marcos to postpone the discussions on the Sabah issue to which the later agreed. But the trend was dramatically reversed with the revelation of what came to be known as the ‘Corregidor Affair’. In March 1968, Malaysia discovered that a special force of Muslim recruits was being trained in a secret military camp on the Island of Corregidor for infiltration into Sabah. This was leaked by a recruit who deserted and escaped from the camp. The ‘Corregidor Affair’ led to sustained mutual recriminations between the governments of Malaysia and the Philippines. Kuala Lumpur sent a formal note of protest to Manila on 23 March complaining about Corregidor. The Philippine government retaliated by sending a protest to Kuala Lumpur that the Malaysian and the British navies violated Philippine territory. In a subsequent move, Malaysia also reported the matter to the UN Secretary General U Thant. To cover up its severe embarrassment at home and abroad caused by the ‘Corregidor Affair’, the Philippine government decided to revive the Sabah claim, and thus, further complicated the matter.

While formally the ASEAN was kept out of the crisis in Malaysia-Philippine relations, eventually it became involved in managing the crisis, though unofficially. During the Second Meeting of ASEAN Foreign Ministers held in Jakarta, Adam


Malik, Indonesian Foreign Minister and the Chairman of ASEAN's Standing Committee seized the opportunity to play a mediating role in arranging bilateral talks between the two feuding parties. Thus, Tun Abdul Razak, Malaysian Deputy Prime Minister, met privately with the Philippine Foreign Minister, Narciso Ramos. The parley produced an agreement to have a "cooling-off" period in the dispute between the two countries. 44

This success of ASEAN in defusing the crisis was very short lived as both the governments had more important stakes at home than in the development of ASEAN. With the parliamentary elections in Malaysia due in May 1969 and the presidential elections in the Philippines due in November the same year, both the governments were far from being ready to make any compromise. Just a month later, the Philippines made a mockery of the idea of a "cooling-off" period when the Philippine Congress adopted a legislation, which in effect included the Sabah territory as part of the Philippines. An Act to this effect was also signed by President Marcos in September 1968. Furthermore, the Philippines adopted a policy of questioning the competence of Malaysia to represent Sabah in international forums including the ASEAN. To avoid such embarrassing encounters Malaysia refrained from sending its representatives to ASEAN meetings until the end of the crisis. 45 Thus, while contributing very little to its resolution, ASEAN became a victim of the crisis. At the end of 1968, Malaysia and the Philippines broke off diplomatic relations with each other. An initiative taken at the ad hoc meeting of ASEAN Foreign Ministers held in Bangkok in December 1968 also failed to find an acceptable formula for the Philippine recognition of Malaysian sovereignty over Sabah. The ASEAN appeared to be in a condition of political disarray.

Meanwhile the ASEAN member-states were faced with a set of compelling reasons to see an end to the crisis. The success of the Tet Offensive in South Vietnam, the US decision to enter into negotiations with the Vietnamese

44. Ibid., p.33.
45. Ibid., pp.33-34.
communists, British decision to withdraw from the east of Suez, the Soviet deployment of a naval squadron, for the first time, into the Indian Ocean, and finally, President Nixon's Guam Doctrine generated a high degree of anxiety among the ASEAN countries. All these in the backdrop of domestic political turmoil and economic underdevelopment underscored the indispensability of ASEAN cohesion to face the challenges of time.

President Marcos was not far from realising his country's and, no less important, his regime's stake in the success of ASEAN. Following his re-election, he appeared to assume a considerably reconciliatory stance. With instructions from President Marcos, his new Foreign Minister, Carlos Romulo, meet privately with the Malaysian Prime Minister, Tunku Abdul Rahman, in the evening before the Third ASEAN Ministerial Meeting held in Cameron Highland, Malaysia, in mid-December 1969. This was preceded by diplomatic overtures which paved the way for Romulo's visit to Malaysia. The very next morning at the Opening Session of the ASEAN Ministerial Meeting, Tunku Abdul Rahman announced that Malaysia and the Philippines had agreed to restore diplomatic relations out of consideration for the need for regional co-operation. This was recorded in the joint communiqué issued by the ministerial meeting with satisfaction and praise for both the countries.46 Thus, the worst ever public squabble between two ASEAN countries came to an end, although the Sabah issue continued to cast a shadow over the relations between Malaysia and the Philippines as well as the corporate life of ASEAN for a long time to come.

Second crisis that the ASEAN countries had to deal with was precipitated by the decision of Singapore taken in 1968 to execute two Indonesian marines held for espionage taken in 1965 at the height of Konfrontasi. Singapore's siege mentality as discussed coupled with its innate limitations in defence capability made the country hypersensitive to any real or perceived threat to its security. This, resulted in a rather abrasive regional posture which was designed to "convince potential predators of Singapore's indigestible qualities".47 The

46. Ibid., p.35.
formation of ASEAN did not induce any considerable sense of security in Singapore *vis-à-vis* its great Malay neighbours. Moreover, highly publicised termination of *Konfrontasi* and the public rhetoric of Malay blood-brotherhood that followed it further aggravated Singapore’s sense of insecurity. Thus, as seen through the eyes of Singapore, the decision reflected its survival imperatives.

The government of Indonesia and also that of Malaysia made repeated appeals to Singapore to commute the sentences to life imprisonment. Further more, President Suharto personally wrote to the then Prime Minister Lee Kuan Yew to ask for clemency for the two condemned Indonesian marines. 49 All went in vein as Singapore perceived that to do so would mean displaying weakness *vis-à-vis* Indonesia and Malaysia. Thus, Indonesian marines were executed in October 1968. This was certainly an over reaction on the part of hypersensitive Singapore which was still far from recognising that its security interests could be served more rationally through regional co-operation within the framework of ASEAN. The execution of Indonesian marines as assessed by Michael Leifer, “indicated an adolescent quality in Singapore’s early conduct of foreign policy.” 50

The execution brought the relations between the two countries to a nadir further fomenting anti-Singaporean and anti-Chinese feelings in Indonesia and also in Malaysia. The crisis deteriorated people-to-people relations to the extent that anti-Chinese riots took place in both the countries. 51 There were even popular pressures on Indonesian government to retaliate

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against Singapore militarily. While the incident was highly humiliating for Indonesia, it did not encroach upon the country’s broader security interests. Being in a highly secured position vis-à-vis Singapore, Indonesia could afford to display restraint and magnanimity without which the survival of ASEAN could be put into danger. No less important consideration, the episode offered Indonesia a tremendous opportunity to recreate its international image severely tarnished due to an abrasive foreign policy pursued during the era of Konfrontasi. In the circumstances, Suharto judged it to be prudent to conceal the deeply felt sense of slight, both national and personal, and display a high degree of restraint. His government resisted popular clamour to retaliate against Singapore militarily or even politically. Economic measures taken against Singapore were more symbolic than substantive. It is only thanks to caution, restraint and political wisdom as displayed by Indonesia that the episode did not stand in the way of a progressive normalisation of relations between the two countries.

The pattern of behaviour as displayed by Indonesia in dealing with the crisis reflected a conscious policy approach on its part aimed at transforming its erstwhile role of a regional troublemaker into that of a constructive partner that would be seen as a rejection of its hegemonic pretensions of the past. The policy paid high dividend. Singapore gradually came to recognise the seriousness of Indonesia’s commitment to the enhancement of regional co-operation within the framework of ASEAN through forging good-neighbourly relations with its co-operative partners. Within a rather brief period, Singapore’s approach to Jakarta changed to the extent that during his first official visit to Indonesia in 1973, Singaporean Prime Minister Lee Kuan Yew made a personal act of contrition by scattering flower petals on the graves of the two executed marines buried in the Kalibata heroes’ cemetery.


These were the first and the most severe tests that the ASEAN survived in the way of its development. True to ASEAN principles, both the crises were ultimately resolved through bilateral mechanism. In case of the crisis in Indonesia-Singapore relations the Association was not even called to play any role in the termination of the crisis. In case of the crisis over the Sabah issue, the Philippine attempt to include the issue in the ASEAN agenda was successfully thwarted by Malaysian refusal. Even when the ASEAN became involved, unofficially and indirectly, in defusing the crisis, great caution was taken so as to keep the organisation above controversy. To ensure this, not the ASEAN as an organisation but its individual members like Thailand, and more importantly, Indonesia, played the role of mediators.

Similarly, ASEAN forums were being used as occasions for arranging 'private meetings' between Malaysia and the Philippines without linking them to formal ASEAN meetings. In the process, however, owing to the caution, sagacity and statesmanship as displayed by ASEAN leaders, the organisation could successfully serve as an alternative channel for communication when official bilateral relations have been strained, at times, almost to the point of complete rapture. Further cultivation of these role of ASEAN allowed the organisation to serve as a catalyst for conflict management during the subsequent period without involving itself in the process directly.

While the contribution of ASEAN in the termination of the crises was 'unofficial' and/or 'indirect', this was also crucial. As a matter of fact, the existence of ASEAN and the member-states' stake in its development created almost irresistible pressure on them to concede to each other in the conflict. In this regard, the fate of ASA and Maphilindo served as a painful reminder of what could happen otherwise.

In the subsequent period, ASEAN has never seen such severe crises and public squabbles involving any two of its member-states. Numerous intra-group conflicts among ASEAN countries were managed through effective measures of crisis prevention. However, the inter-state relations within the grouping continue to be characterised by occasional

turbulence, some times, even on issues not fundamental to the interests of the concerned countries.

4.2 Management of Conflicts

Faced with communist threat from across the border and political turmoil at home, ASEAN became a rallying point for its members. Poverty and economic deprivation was identified as the single-most important source that feed political instability. Corresponding calculations underpinned the conventional wisdom from the outset that social and political discontent could be more directly and energetically addressed by the governments of ASEAN if regional tensions could be reduced or overcome through regional co-operation. Thus, a stake on the part of ASEAN countries was created in the success of the organisation. The perception that the price to be paid for animosity and conflict is much higher than that for accommodation, and the gains derived from co-operation substantially overweigh those from confrontation and conflict grew stronger and stronger. In the process, the willingness to have good relations through accommodation, amelioration of differences and compromise over the issues of mutual discord grows continuously.

As indicated, the ASEAN process of conflict management, as a rule, avoided direct actions aimed at resolving the conflicts. On a number of issues, however, attempts were made to transform the conflictual issues into those of co-operation. The primary focus of the management of intra-group conflicts in ASEAN was to learn to live with the disputes and conflicts through effective measures of conflict management. Its central objective was to prevent the intra-group conflicts from adversely affecting the process of regional co-operation. Implicit in this was the hope that the process of regional co-operation will ultimately create necessary preconditions for the resolution of intra-group conflicts.

The most severe conflict that the ASEAN had to deal with in the way of its development was the dispute over Sabah. While the crisis precipitated by the Corregidor Affair was terminated, the strain in Malaysia-Philippine relations induced by it continued to simmer with occasional emotional outburst. Moreover, already strained relations between the
two countries were further deteriorated during the 1970s when Muslim rebellion in the south of the Philippines was supported from Sabah during the tenure of Chief Minister Tun Mustafa Harun.55

Once again, Indonesia came to mediate between the two feuding parties. Along with the Indonesian foreign policy establishment, President Suharto himself employed persistent efforts aimed at softening the positions of both the sides. In the process, Suharto dispatched a special mission to Marcos with an appeal to drop the claim on Sabah and settle the Muslim problem in the South. He also met Razak in May 1973 and May 1974 and Marcos in May 1974. Suharto’s efforts succeeded in softening the position of both the parties considerably. While these diplomatic efforts were successful in according Malaysian recognition that the Muslim problem in the south of the Philippines was an internal problem of that country, they fall short of convincing the Philippines to drop its claim on Sabah.56 Thus, the Sabah issue continued to cast a shadow on the corporate life of ASEAN causing considerable anxiety among its members. The crucial First Summit Meeting of ASEAN Head of Governments could only be convened in February 1976 after Indonesian government had secured an assurance from its Philippine counterpart that the Sabah issue would not be raised.57

While formally the Philippines continued to stick to its claim over Sabah, persistent diplomatic efforts coupled with increased interaction and co-operation with its partners in the ASEAN over the last decade considerably muted the Philippine stance on the Sabah issue. Thus, at the Second ASEAN Summit held in Kuala Lumpur in 1977, President Marcos dropped the Philippine claim over Sabah. But it has not been formally abandoned. Attempts by the Aquino government to secure the necessary legal basis for formally dropping the claim has been thwarted by the Senate.58 The Ramos government as well, under

55. Ibid., p.36.
the pressure from some hard-liners at home, decided not to drop the claim formally. The government, according to its Foreign Minister, would not seek for the realisation of the claim to Sabah, but it would not drop the claim without the approval of the Congress.\(^5^9\)

While hostility between the two countries over the Sabah issue muted significantly, uncertainty continues to prevail as the Philippines refused to revise its constitution which, in September 1972, had included a statement in its preamble that could be interpreted as claiming jurisdiction over Sabah. Thus, the impasse continued during entire period of the rule of President Marcos. It was only under Corazon Aquino that the negotiations between the two countries resumed. The claim, however, is yet to be dropped officially. A careful observation of the pattern of behaviour as displayed by the Philippine government over the last years suggest that, by now, it has come very close to the abandonment of the claim. Nonetheless, successive governments in Manila remained highly cautious not to drop the claim formally which might trigger off ultranationalist sentiments with the government being its ultimate victim. In the circumstances, the dispute remains alive, though dormant. However, as it appears, the disruptive potentialities of the dispute, by now, have largely been consummated.

No other issue of intra-group conflicts in ASEAN, as discussed earlier, appeared to be as intractable as the Sabah issue. Nonetheless, they also continued to sour relations among the concerned countries. Some of these conflicts, territorial disputes between Malaysia and Singapore as well as that between Malaysia and Indonesia, at times, even threatened to be disruptive. While the solution was out of reach, the ASEAN countries made persistent attempts to learn to live with the conflicts through effective measures of conflict management. At the centre of their strategy for the management of conflicts was the amelioration of differences and accommodation on the disputes through consultation/negotiation, largely, at the bilateral level. This


59. J. Soedjati Djiwandono, ibid., p.42.
was done through numerous channels of communication among the ASEAN countries, or as discussed earlier, mechanisms for the management of conflicts. Continuous interaction among the officials at all levels, over a relatively long period, resulted in a greater understanding of each other's problems, peculiarities and sensitivities, and a greater degree of tolerance for each other's predicaments. The net effect of this has been a growing preparedness to accommodate on the issues of bilateral discord even though none of them have yet been reconciled.

Whenever an issue of bilateral discord became intractable, ASEAN countries often followed a strategy of 'agreeing to disagree' and leave the issue for a future settlement. However, those issues which threatened to be disruptive were brought to the negotiation table. In this regard, negotiations were conducted in a highly discreet manner, largely, behind the scene. Such a practice, over time, led to the compartmentalisation of intra-group disputes in ASEAN. Only the most pressing issues were brought to the forefront for consultation/negotiation, while others were put to the back burner. The strategy, in addition to providing with more time for devising an amicable settlement, also allowed the ASEAN countries to move in the direction of closer co-operation on the issues of common concern as well as on the less controversial issues. More important point, in the backdrop of increased interaction and close co-operation among ASEAN member-states, the strategy proved to be quite successful in abating the emergence of crisis situation in inter-state relations of these countries over the issues of bilateral discord.

Thus, while most of the issues which plagued the relations between or among the members at the time of ASEAN's birth are still around, they are nowhere as prominent now as they had been in those days. The most remarkable achievement, in this regard, is that the ASEAN countries were successful in preventing the intra-group conflicts, which are not resolvable, from adversely affecting the process of regional co-operation. While someone may refer to the success of the ASEAN mechanism for the management of intra-group conflicts as being "conflict defusing, or abating,"
rather than conflict resolving function".\(^{60}\) in the context of the Third World groupings for regional co-operation, this is certainly not a mean achievement.

ASEAN displayed an equally high degree of caution also in its efforts to avoid conflicts those are to be generated in the process of co-operation. This was helped by the fact that the most important ASEAN policies are conceived, planned and formulated in the permanent national secretariats of the member-states before being taken to the ASEAN forums. As a rule, ASEAN officials in a national secretariat bring forward an issue and send out 'feelers' to their counterparts in other countries to ascertain whether the issue should be placed on the agenda. Informal consultation and bargaining, thus initiated, result in members adjusting their positions to reach a consensus. When consensus appeared to be out of reach the issue is usually dropped. The issues that have reached a deadlock at the lower level are taken to ministerial level only if it is considered to be very important.\(^{61}\) This has significantly contributed to the avoidance of disputes.

On occasions, the ASEAN has also displayed the ability to transform the issues of bilateral discord into those of mutual co-operation. For instance, following a rather long and, to a certain extent, painful process of negotiation and bargaining, in 1979, a Memorandum of Understanding (MoU) was signed between Malaysia and Thailand marking an end to the long-standing conflict between the two countries with regard to their overlapping EEZs. The MoU contained an interesting idea of 'drinking from the same well' which means joint exploration of living and non-living resources in the area where their EEZs overlap. The idea later became the basis of an agreement concluded between the two countries in 1989.\(^{62}\)

Malaysia and Thailand have also been successful in resolving a rather sensitive issue that was generating considerable misgivings between the two countries. Separatism among the Muslim population in southern Thailand and consequential tension in relations between Thailand and

\(^{60}\) Arnfinn Jorgensen-Dahl, \textit{op. cit.}, p.66.


\(^{62}\) Muthiah Alagappa, \textit{op. cit.}, p.25.
Malaysia has been reduced significantly as a result of security co-operation between the two countries and greater sensitivity on the part of the Thai authorities to Muslim demands for the preservation of their unique identity.

A number of recent developments suggest that the ASEAN seems to be on the threshold of a departure from its previous strategy of living with the disputes through effective measures of conflict management to a new one which envisages the resolution of the disputes. First such an indication came when, in 1994, following a long process of negotiations, an agreement was reached between Singapore and Malaysia to refer the protracted dispute between the two countries over the Pedra Branca Island for a resolution to the International Court of Justice. Both the disputants have also agreed to abide by the Court's judgement.

It is still difficult to judge whether the decision by Malaysia and Singapore to refer the dispute over the Pedra Branca island to the International Court of Justice would set a trend in ASEAN to resolve the knotty disputes through the international judicial body. But following the suit, Malaysia and Indonesia also have decided to refer a similar dispute over the ownership of the Sipadan and Ligitan islands to the International Court of Justice. The judgement of the Court and how it is implemented by the disputants are likely to have significant implications for the rest of the disputes, which are still appearing to be unresolveable.

4.3 Reconciliation of Divergent Perceptions and Priorities

Over the years since the creation of ASEAN, divergent security perceptions and priorities of Indonesia, Malaysia, Singapore and Brunei underwent a gradual transformation. In the process, efforts were employed by all the parties concerned, may be with varying degree of intensity, to accommodate their divergent perceptions and priorities, and thus, ameliorate the overall security environment in the region.

Indonesia, sought to achieve its regional objectives by fostering and steering regional co-operation in the desired direction. In this regard, one of its central concerns was to limit the involvement and influence of extra-regional great powers in the regional affairs so that Jakarta could bear its power and
influence upon its neighbours. While Malaysia and Singapore, did not embrace even the modified version of Indonesia’s regional aspirations, they did welcome the dramatic transformation of Indonesia’s policy from confrontation to co-operation as it provided them with an opportunity to ‘contain and limit’ the ambitions of their large neighbour within the framework of regionally accepted norms and constraints. Thus, Indonesian ambitions were partially accommodated in the ASEAN Declaration of 1967, Zone of Peace, Freedom and Neutrality Declaration of 1971, and the Declaration of ASEAN Concord and the Treaty of Amity and Co-operation in Southeast Asia of 1976.

The legacy of the era of confrontation and the persistence of Indonesia’s aspiration for a leading role in the region on the one hand, and the process of co-operation within the framework of ASEAN dictated by socio-economic, geopolitical, historical and ethno-religious imperatives on the other, shaped a relationship between Indonesia and Malaysia which could be characterised as both close and apprehensive. Facilitated by common ethno-religious affiliation, Indonesia-Malaysia relations in the immediate post-confrontation period improved rather quickly, and subsequently developed into sort of a ‘special relationship’. Malaysia, however, often feels uncomfortable as it finds itself as a ‘junior partner’ in this special relationship. Being concerned with the apprehension that Indonesia may dominate it, Malaysia quite frequently asserts itself in regional or international matters. This, to a considerable extent, reflects its unwillingness to accept the role of a ‘small brother’. On the other hand, Indonesia is concerned that to humour its ‘small brother’ it is going beyond the limit that can be tolerated by certain elements in Indonesian society. Thus, both the sides continue to harbour grievances against each other.

Over the recent years, a number of manoeuvres by Indonesia and Malaysia in regional and international arena brought the competition between the two countries to play a leading role in certain matters to a sharp focus. Malaysia’s growing ambition to play a leading role in international arena

63. Ibid., p.18.
64. A. R. Sutopo, op. cit., p.334.
was vividly reflected in its publicised role in forming the South Commission, serving as a host to the G-15 summit, attempts to play a role in Kampuchean settlement and a number of other initiatives, and no less important, in its persistent attempts to bolster the personal image of Premier Dato Seri Mahathir Mohammed in the global affairs. All these were viewed by Indonesia as an intrusion into its own domain. As seen through Indonesian eyes, not only its leadership in the region but also in the Third World was being challenged by Malaysia. And it came at a time when Indonesia was just trying to re-establish its role as the leader of the Non-Aligned Movement by hosting its Summit Conference. Competition for a leadership role in regional and international affairs between Indonesia and Malaysia and resultant friction became a rather constant feature of their relations.

Another point, growing closeness of relations, particularly increasing co-operation in the area of defence, between Indonesia and Singapore has not been well received in Malaysia. Certain circles in Malaysia view such ties to be directed against Kuala Lumpur, while some in Indonesia consider Malaysia to be of jealous towards the growing co-operation between Indonesia and Singapore. 65

Divergent approach of Indonesia and Malaysia towards Islam as a political force has already become an irksome problem between the two countries and it remains a potentially explosive factor in their bilateral relations. Paradoxically, Indonesia, where over 90 percent of the population are Muslims, is a secular state and the Islamic forces operate in a considerably moderate way in the socio-political arena of the country. On the other hand, multi-religious Malaysia with a bare majority of Muslims made Islam the state religion and its role and influence in the socio-political and even cultural life is ever increasing. This has already generated considerable differences between the two countries, particularly in view of the fact that certain circles in Malaysia often "put a premium on cultural ties with Indonesia" which remains disturbing to many Indonesians. 66 The potential threats as posed to Indonesia by

65. Ibid., pp.336-37.
the process of Islamisation in Malaysia are two-fold. First, it may generate severe intra-state conflict in Malaysia with spill-over effects on Indonesia. Second, Malaysia’s success in Islamisation may encourage similar demands at the popular level in Indonesia and endanger its political stability. While such issues are rarely discussed publicly, they do affect bilateral relations, at least at the perceptual level.

As the pattern of behaviour of both the countries shows that they have, by now, accepted the divergence in their security perspectives as being inevitable due to competing regional and international aspirations, and the geo-political, historical and ethno-religious factors feeding such aspirations. However, finding out a *modus vivendi* remains still problematic due to the considerable weight given by both the sides to the nationalist agenda. Nonetheless, over the years, a high degree of caution and sagacity have also been displayed by the leadership of both the countries with a view to mitigating their differences so that the achieved or prospective gains from the process of co-operation within the framework of ASEAN were not jeopardised. Such a concern, on the part of both the parties, resulted in the political expression of mutual grievances being significantly restrained. In practice, their policies oscillated between co-operation and competition. On the one hand, they remain quite sensitive to each other’s security concerns and display considerable preparedness to mitigate divergent positions. On the other hand, they come forward with their nationalist security agenda whenever they find it expedient or necessary. As a consequence, the relations between the two countries while continue to be characterised by certain degree of suspicion and periodic tensions, they also continue to develop in the direction of closer co-operation. Central to this complex relationship between the two countries remains their common concern for the success of ASEAN.

As indicated, the relations between Indonesia and Singapore severely strained by the execution episode were normalised primarily thanks to the caution, restraint and political wisdom as displayed by the Indonesian leadership. In this regard, the first visit of Singaporean Prime Minister Lee Kuan Yew to Jakarta in 1973 remains a milestone in the relations between the two countries. Since the mid-1970s, their perceptions of each other underwent a qualitative
transformation. Indonesia has taken a more realistic view of Singapore. Jakarta has recognised Singapore’s socio-economic achievements and its significance as an economic partner. Nonetheless, anti-Singaporean and anti-Chinese feelings in Jakarta have never receded. Singapore, however, is no longer perceived as a source of security threat to Jakarta. Instead, in view of Malaysian attempts to play a high profile role in the regional and international affairs, growing co-operation with Singapore is viewed in Jakarta as both necessary and beneficial.

Singapore’s perceptions of Indonesia as well have undergone a similar transformation. Malaysia has replaced Indonesia as the most dominant threat to its security. In the changed security matrix, Singapore’s policy is aimed at diluting the perceived threats to its security from Indonesia through the development of multifarious co-operation with the latter which also includes co-operation in security matters. In this regard, Singapore has displayed considerable preparedness to accept the pre-eminence of Indonesia and, to a certain extent, its leading role in the regional affairs without, however, sacrificing its core concerns. Singapore’s urge to cultivate close ties with Indonesia is also motivated by two politico-security objectives. First, to reduce dependence on Malaysia. Second, and more important in Singapore’s calculation, is the fact that close ties with Indonesia may serve as a deterrent against Malaysia.

In course of time, with the growing co-operation of Singapore with Malaysia in socio-economic, politico-cultural as well as security fields, the country’s perception about its Malay neighbour as a serious threat to its security has attenuated significantly but they have not been eliminated. Singapore continues to cultivate extra-regional security linkages whenever it considers such linkages to be expedient or necessary. One of such moves was the agreement between Singapore and the United States signed on November 13, 1990 envisaging the use of Singapore’s naval and air force facilities by the US. This development was disturbing to Malaysia, though its official response was rather mild. But, it was widely viewed by Malaysian political circles as being aimed at deterring Malaysia.

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67. Muthiah Alagappa, op. cit., pp.20-21

68. N. Gonesan, op. cit., p.184.
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and contradicting the spirit of ZOPFAN. Undeterred by criticism, Singapore continued to step further in the same direction. During US President George Bush's visit to Singapore in January 3-5, 1992, the two countries reached an agreement on the relocation of a major naval logistic facility from Subic Bay to Singapore.

Singapore's cultivation of extra-regional security linkages is also facilitated by some disagreements between Indonesia and Malaysia on the role of extra-regional powers in Southeast Asia. In contrast to Malaysian position, Indonesia has 'fully' agreed with Singapore's offer of military facilities to the US and plans to conduct joint naval and possibly air exercise with US forces. On the other hand, Malaysia and Singapore would like to see the Five Power Defence Arrangements (FPDA), involving Malaysia, Singapore, Britain, Australia and New Zealand, strengthened and expanded. But Indonesia remains opposed to any major role for the FPDA. Jakarta resents the fact that the alliance was conceived as a deterrent to Indonesia's regional ambitions and sees little need for it in the context of an altered regional security environment.

A process of reconciliation between Brunei on the one hand, and Malaysia and Indonesia on the other, were initiated even long before the independence of Brunei. In this regard, Indonesia took the lead. It is worth mentioning that when in May 1978, the Prime Minister of Brunei, Hussein Onn and President Suharto, envisaged Brunei as eventually becoming a full-fledged member of ASEAN, Malaysia had to come to terms with the reality. Nonetheless, Malaysia still considers itself to have the right to a more privileged relationship with Brunei than others. This keeps Brunei's fear and suspicion of Malaysia alive even after it was included in the ASEAN as a member following the independence. Only Singapore played a quite but distinctly different role. Reasons are obvious. The fall of Brunei could further aggravate Singapore's survival

69. Ibid., p.185.
70. Amitav Acharya, op. cit., p.57.
71. Ibid., p.58.
imperatives. Singapore employed persistent efforts to bolster Brunei’s survival capabilities through a network of co-operation in the economic, politico-diplomatic, and importantly, military fields. By now, while Brunei’s suspicion of Malaysia has not disappeared altogether, the relations between the two countries have largely been normalised.

In the process of increased interaction and intensive co-operation among the ASEAN countries over the years since the creation of the Association, their security perceptions and the content of their mutual relationship have undergone a radical transformation marked by a decisive shift away from conflict to a course of co-operation. By now, the factors and forces that used to breed suspicion and conflict among them have lost most of their relevance. The process of regional co-operation within the framework of ASEAN has already generated dynamism of its own, which can hardly be reversed by the misgivings and competing priorities in the field of security inherited from the past. In the changed politico-security matrix, while some of the past misgivings and competing priorities in the field of security continue to cast a shadow on their relationship, the political expression of such misgivings and competing priorities remains sufficiently contained within the framework of regionally accepted norms and constraints.