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Coping with Crisis: Southeast Asian Regionalism and the Ideational Constraints of Reform

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Abstract

The key argument of the paper is that social actors even under conditions of serious crises and external shocks do not necessarily follow the predictions of theories on ideational change. This literature argues that crises and external shocks spur ideational change as the expectations associated with the old order no longer hold. A study of the Association of Southeast Asian Nations (ASEAN) shows that the Asian Financial Crisis of 1997/1998 stimulated a reform debate but that this discourse did not facilitate paradigmatic changes in the region's repository of cooperation norms. What on first sight appeared as an accelerating Europeanization of Southeast Asian regionalism turned out as a process in which major elements of the region's "cognitive prior" have been retained. New ideas of regional integration have at best been emulated or localized, but not led to a thorough transformation of Southeast Asian cooperation norms. This must be attributed to the entrenched nature of the region's cognitive prior epitomized by worldviews of political decision-makers which regard the external world as essentially hostile. This belief has been reproduced many times in the political experiences of the region's foreign policy elites – not least by the Asian Financial Crisis – and have thus confirmed the ideational orthodoxy that national sovereignty provides the best protection for nation states. A deepening of regional integration is faced with major ideational obstacles under these conditions.

Key words:

ASEAN; regionalism; crisis; ideational change.

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Introduction

Since the formation of the Association of Southeast Asian Nations (ASEAN) in 1967, Southeast Asian regionalism has weathered many challenges. During the Cold War ASEAN was threatened by expanding communism, after the Cold War the region had to cope with problems caused by an accelerating process of (economic) globalization. No less serious, the region also persistently struggled with intramural territorial disputes and border conflicts. The contested claim over Sabah between Malaysia and the Philippines, disputes over maritime boundaries between Indonesia and Malaysia, border skirmishes between Thailand and Cambodia near the Preah Vihear temple and the spill over of fighting between separatist rebels and government troops from Burma to Thailand may serve as examples. Major challenges also constituted Myanmar's reform-averse military regime with its flagrant human rights violations and Great Power interferences which eroded the cohesion of the region. A current case in point is the exacerbating rivalry between China and the U.S. for control over and access to the South China Sea. But none of these challenges equalled the Asian Financial Crisis of 1997/1998, which was the most taxing test ASEAN ever had to master. The dimensions of the crisis by far exceeded the Euro crisis and were often equated with the Great Depression of the 1930s.

This raises the question of how ASEAN coped with the crisis. In this paper, I argue that ASEAN's responses on first sight seemed to be in accordance with the predictions of the theoretical literature on ideational change. This literature argues that paradigmatic ideational changes most frequently occur as a response to external shocks and crises (Legro 2000). In ASEAN's case, we can observe that, indeed, the grouping entered a profound process of soul searching in the aftermath of the crisis, seemingly throwing over board its established repository of sovereignty-based cooperation norms, known as the ASEAN Way. In the process, ASEAN's almost sacrosanct non-interference norm came under siege, and – hardly thinkable a decade before – the region seemed intent to Europeanize the grouping's institutional design. However, contrary to some voices in the literature, I do not take this as an indication that ASEAN becomes increasingly similar to the EU, thus being part of a “global script” of regionalism (Jetschke 2009, 2010, 2015; Börzel & Risse 2009; Jupille, Joliff & Wojcik 2013). Instead, I show that, despite adopting EU terminology in ASEAN's post-crisis reforms, no ideational and normative transformation took place in ASEAN. In fact, what happened was the emulation or localization of the EU's institutional set-up with the objective of retaining as much of the extant regional value order as possible. ASEAN indeed remains quite different from the EU; its cooperation norms have not Europeanized.

I approach the theme of this paper by first developing an eclectic theoretical framework which combines rationalist arguments inspired by “bounded” political learning with reflexivist theories such as sociological institutionalism and historical institutionalism. Two empirical sections address ASEAN's responses to the crisis from a regional and a domestic perspective. The argument is here that a transformation of regional ideas, norms and policies is impeded by strong domestic responses in ASEAN member countries, which draw from age-old local visions of the external world. The latter is primarily seen in terms of vulnerability and victimization, as a hostile environment, in which reliance on the nation's own power resources and capacities is imperative for state survival. Such attitudes strongly informed by political realism weaken regional identities and impede collective action.

1. Theoretical framework

This paper pursues a pragmatist research agenda. It strongly draws from Katzenstein's concept of eclectic theorizing. Eclecticism denotes an analytical approach which seeks to "selectively integrate artificially segmented schemes and logics initially devised in separate research traditions" (Katzenstein & Sil 2008: 117). By "expanding the repertoire of assumptions, analytic tools, theoretical concepts, methodological devices, and empirical data, analytic eclecticism allows for the development of complex explanations that reveal how different kinds of causal mechanisms and processes might relate to each other" (ibid.: 118). In other words, while sacrificing the parsimony of established theoretical schools, eclecticism seeks to bridge, engage and combine different research paradigms, enabling dialogue between them without necessarily fusing them. As a multiperspectival strategy of social inquiry (Bohman 2002: 502; quoted in Katzenstein & Sil 2008: 117), it is well positioned to cope with the complexities of social phenomena, which single research traditions are unable to capture. Eclecticism thus also paves the way to overcoming the strong Western-centric bias inherent in much of IR theorizing. It has become a truism among critical IR scholars that theoretical concepts primarily derived from the historical experiences of the North Atlantic hemisphere may have limited explanatory power in the vastly different cultural settings of the Global South. Hence, the intensified search for theoretical concepts and methodological tools able to disclose the extent and the way in which worldviews and values in non-Western regions differ from Western orthodoxy. This is also the thrust of the subsequent study: It seeks to trace how historical experiences and the collective memory in a non-Western region have shaped reform debates on regional governance after a major crisis.

To this end, I combine three strands of theorizing. *First*, I draw from rationalist theories explaining ideational change as political learning (Börzel & Risse 2012). However, processes of political learning often rest on quite diffuse and unprecise information. In fact, political decision-makers rarely decide on the basis of an abundant set of data and information provided by comprehensive academic studies. Much more frequently their decisions rely on hearsay and a rather fuzzy understanding why a certain idea, concept, norm or policy is superior. Nevertheless, they adopt it, because quite obviously the model has proved successful elsewhere, without however thoroughly probing as to what extent its success is the result of peculiar circumstances and favorable scope conditions (Weyland 2005). As we will see below, the seeming reference of ASEAN decision-makers to components of the European model of regional integration in their post-crisis reform effort comes close to "bounded learning."

Second, the rationalist "bounded" political learning perspective is connected with sociological institutionalism, arguably a reflexivist theoretical approach. At the outset, as mentioned above, I follow Legro's argument that ideational change is the result of external shocks or crisis. In such a situation the old beliefs and values no longer fulfill the expectations associated with them, thus giving way to new ideas, which are often of external origin (Legro 2000). However, diffusion research suggests that in most cases the influx of new ideas, beliefs and policies does not lead to a wholesale transformation of the existing ideational order. Much more frequent are responses by which the new ideas, norms or policies are either

merely emulated (Meyer & Rowan 1977; DiMaggio & Powell 2002) or localized, that is, a process in which old and new ideas are fused through framing, grafting and pruning (Acharya 2004, 2009). Emulation or mimicking occurs if the appropriation of the new ideas is an elite decision without domestic discourse. It is an elite strategy to cope with external normative pressure and to improve its international image. Extant local beliefs remain largely intact under a thin rhetorical layer of ideational change and modernization. By contrast, localization is the result of stronger external *and* domestic pressures for ideational change and normally paralleled by public debate and discourse (Rüland 2014a). In both cases, emulation as well as localization, the objective is the modernization and, hence, re-legitimization of extant local beliefs, although the de-coupling effect, that is, the ideational and functional discrepancy between the model and the imitates, is much more pronounced in the case of emulation than in the case of localization. Which strategy – emulation or localization – is chosen by political elites is dependent on the robustness of the extant local belief system, the so-called “cognitive prior” (Acharya 2004, 2009), domestic power relations, and the degree to which the new external ideas and beliefs fulfill the expectations placed on them. As we will see in the empirical part, ASEAN elites indeed resorted to these two strategies of coping with crisis, emulating or localizing the institutional design of the EU.

They did so because in the majority of ASEAN member countries the “cognitive prior” is deeply entrenched in the collective memory of domestic audiences. This leads to the *third* theoretical choice: historical institutionalism. History, argued Richard Stubbs, paraphrasing Charles Tilly, “is crucial to understand contemporary events” (Stubbs 2008: 453). Particularly important, but much neglected in IR studies is the history of political thought which informs us about the ideas constituting the “cognitive prior.” Political ideas crystallize at critical junctures in history and they develop a path-dependent resilience through a succession of events that reproduce and re-legitimize them (Taylor & Hall 1996). As we shall see later, worldviews in the domestic arena of ASEAN countries are strongly conditioned through a reiterating experience of turbulence and turmoil in international politics. This resilience of ideas is a major reason why the region’s foreign policy elites do not follow the predictions of the theoretical literature: Even in the face of crisis they do not fully transform ASEAN’s cooperation norms and rather opt for emulation and localization with the objective of retaining major components of the “cognitive prior.”

2. Regional Responses to the Asian Financial Crisis

The Asian Financial Crisis had a devastating effect on the region’s economies. Most seriously hit were Indonesia, Thailand and Malaysia, but also other ASEAN member countries like Singapore, the Philippines and the Indochinese states were affected to varying degrees (Henderson 1998; Wesley 1999; Rüland 2000). The economies of Malaysia, Thailand and Indonesia shrunk between 8 and 14 percent in 1998 alone. While most of the countries recovered faster than anticipated, Indonesia struggled with the political and economic fall out of the crisis until the mid-2000s before reaching again the per capita GDP of the booming pre-crisis years.

Soon after the crisis reached its climax in early 1998, countries in the region began to devise measures of damage control. One of the first was the formation of the ASEAN Plus Three (APT) mechanism, which built on a previous proposal of then Malaysian Prime Minister Mahathir

Mohamad for an East Asian Economic Grouping (EAEG). In the early 1990s, Mahathir was concerned about the increasing regionalization of the world economy due to the stagnation of the GATT's Uruguay Round. Seeming evidence for the erosion of global trade multilateralism was the creation of a European Single Market and the ensuing Maastricht process with the prospect of a currency union – in Asia suspected as an emerging “Fortress Europe” – the formation of NAFTA or the founding of Mercosur. The EAEG, later renamed into East Asian Economic Caucus (EAEC), was for Mahathir a device to balance these developments by closer East Asian cooperation under Japanese leadership (Ravenhill 2001; Rüländ 2002). The APT resumed the idea of strengthening ASEAN's international bargaining power, as many political leaders in the region attributed the gravity of the crisis to the ill-conceptualized rescue packages of the International Monetary Fund (IMF) imposed on them. Closer cooperation with East Asia's large powers China, Japan and South Korea – this was the reasoning – would increase ASEAN's resilience in the Western-dominated international financial organizations (Emmers & Ravenhill 2011: 135).

Yet, when the dust of the controversies over the causes of the Asian Financial Crisis began to settle, ASEAN embarked on a flurry of additional reforms such as the ASEAN Vision 2020 (1997), the ASEAN Investment Area (AIA) (1998), the Initiative of ASEAN Integration (IAI) (1998), early completion of the ASEAN Free Trade Agreement (AFTA) (1998), the Hanoi Plan of Action (1998-2004) and – building on these schemes – the Bali Concord II (2003), the Vientiane Action Program (2004-2010), the ASEAN Charter (2008), the ASEAN Intergovernmental Commission on Human Rights (2009), the ASEAN Human Rights Declaration (2012) and, eventually, the inauguration of the ASEAN Community (2015). Forum shopping like the proposal to set up an Asian Monetary Fund (AMF) (1998) or the Chiang Mai Initiative (CMI) (2000) complemented these moves (Rüländ 2012). With them ASEAN sought to counter an increasing erosion of the grouping's cohesion which became evident by increasingly vitriolic verbal incriminations of neighbors such as Singapore by Indonesia (dubbed by President Habibie as “little red dot”) (Koh & Chang 2005), the inability to deal with the region's environmental problems such as the haze pollution (Nguitragool 2011), border skirmishes between Thailand and Myanmar and an array of new regional initiatives jeopardizing the centrality of ASEAN. Cases in point for the latter are Indonesia's proposal of a “Big Asia Five” or a Western Pacific regional grouping, Thailand's Asian Cooperation Dialogue (ACD) or Singapore's attempts to strengthen its economy through mini-lateral free trade agreements such as the P3² or P5,³ which became pre-cursors of the Transpacific Partnership (TPP) launched in 2016.

At the same time, voices became louder, challenging the core ideas of Southeast Asian regionalism, also known as the ASEAN Way. Initially, much of the criticism came from outside ASEAN, as especially Western observers viewed the ASEAN Way as the regional embodiment of the highly controversial Asian value doctrine. The concept of specific Asian values was mainly propagated by the region's authoritarian regimes in the 1990s as a response to Western conditionality policies after the end of the Cold War, which sought to universalize liberal-cosmopolitan values. However, liberal thought was seen by these regimes as an ideological assault on their power base and therefore rejected as alien to Asian political culture. In Asia – much more than in the West, they maintained, – power, authority and

² A closer economic relationship was established between Singapore, Chile and New Zealand in 2000.

³ An envisaged arrangement including Singapore, Chile, New Zealand, the United States and Australia.

hierarchies shape political systems, attaching great significance to the state as promoter of the common good and guardian of society. Not surprisingly, thus, regional cooperation was subjected to national sovereignty as the overarching norm (Acharya 2001; Haacke 2003). It was widely shared opinion that ASEAN should retain its intergovernmental format and should not intend to develop supranational structures such as the EU. At that time, Southeast Asian foreign policy elites clearly dissociated themselves from the regional integration model of the EU.

However, in the aftermath of the Asian Financial Crisis, foreign scholars, media and diplomats stepped up their criticism of the ASEAN Way, which they did not only see discredited through the crisis, but, even worse, as a major cause for Asia's economic turbulences. From their point of view, the sovereignty-based ASEAN Way prevented member countries to respond effectively to the increasing global and regional interdependencies brought about by rapid economic globalization. As a result, they were largely defenseless against the contagion effects of the crisis. Recalcitrant insistence on national sovereignty impaired coordinated crisis management and was one of the reasons why crisis-stricken countries had to agree to the painful and ill-considered rescue packages engineered by the IMF.

Yet critique of the non-interference norm also began mounting within the region. With the crisis went a more frequent look to Brussels and the search for inspiration from European integration. That politicians such as then Malaysian Finance Minister and Deputy Prime Minister Anwar Ibrahim and Thai Foreign Minister Surin Pitsuwan sought to downgrade the non-interference norm could thus be seen as a process of bounded political learning. Although Surin's proposal of "flexible engagement" was eventually diluted at the ASEAN Ministerial Meeting in Manila in July 1998 to "enhanced interaction" – as proposed by Indonesian Foreign Minister Ali Alatas – a thorough review of ASEAN's institutional design had begun.

This soul searching process gained momentum as a result of economic pressures. At the height of the Asian Financial Crisis, the region had to contend with a massive capital flight. Especially foreign investors, on which Southeast Asian development was highly dependent, withdrew from the region. Alarmed by the re-routing of foreign direct investment to fast growing China, the clamor for closer regional economic integration increased. Singapore's and Thailand's proposal for an ASEAN Economic Community (AEC) thus rested on the belief that only through collective action and unity ASEAN would remain competitive in the face of the rapid rise of economic power houses such as China and increasingly also India. The AEC proposal was strongly inspired by EU integration after the European Single Act in 1986. If properly implemented, its cross-border impact would be unprecedented, thereby at least indirectly eroding the grouping's non-interference norm. At the core of the AEC were market-opening reforms and institutional restructuring with the objective of increasing the grouping's much derided low efficiency⁴ through transforming ASEAN into a "rules-based" organization. These initiatives thus qualified once more as cases of "bounded" political learning (Jetschke & Murray 2012: 181).

⁴ According to ASEAN sources, only about 30 percent if the grouping's decisions were implemented between 1967 and 2007. See Jusuf Wanandi in *The Jakarta Post*, 22 November 2007 and 25 July 2008. See also Universitas Indonesia scholar Evi Fitriani in *Kompas*, 27 October 2007.

The initiative for an AEC encouraged Indonesia to propose far-reaching political reforms and the creation of an ASEAN Political-Security Community (ASPC). Indonesia's reform proposals went even further than the AEC and directly targetted the non-interference norm. Moreover, likewise unprecedented in ASEAN's history, Indonesia also vocally launched an agenda complementing the ASEAN Way with seemingly liberal-cosmopolitan values such as democracy, respect for human rights, good governance and rule of law; values that were part and parcel of the EU's self-image of a "normative power" (Manners 2002). These overtures found their way into the Bali Concord II of 2003 and, even more pronounced, into the Vientiane Action Program (2004-2010). Many of the proposals submitted by the Eminent Persons Group (EPG), mandated by ASEAN heads of state and government in 2005 to generate a bold and visionary blueprint for an ASEAN Charter, a quasi-constitutional document, likewise seemed to be inspired by the EU.

Although the ASEAN Charter, eventually ratified by ASEAN members in November 2008, diluted the EPG blueprint, many observers saw it inspired by the EU. Examples include the three-pillared structure of the ASEAN Community, the single market concept underlying the AEC, the installation of a Committee of Permanent Representatives (CPR), the strengthening of the ASEAN Secretariat and the envisaged transformation of ASEAN from an elitist and state-centric organization to a people-oriented organization. Many other reform proposals discussed during the Charter debate also exhibited European influences: For instance, the suggestion to introduce majority voting, the flexibilization of decision-making through a "Two plus X" or a "Ten minus X" mechanism, the establishment of an ASEAN Court of Justice, the transformation of the ASEAN Secretariat into an ASEAN Commission, the introduction of sanctions for non-compliance and the idea of a structural or cohesion fund (Jayakumar 2011: 96). All these propositions were the result of an increasing attention devoted to the EU by politicians, scholars, the media and civil society representatives in the region, including exposure trips of the EPG to Brussels. The European Commission supported ASEAN's reform process by extensive capacity building programs such as APRIS I and II, and more recently ARISE (Jetschke 2013; Rüländ 2015; Telo, Fawcett & Ponjaert 2015). Although many of these measures were of a primarily technical nature, it gave the EU – as Maier-Knapp argues – the chance for an "implicit projection of norms" (Maier-Knapp 2014: 227).

Yet the question arises whether the reforms inspired by the EU marked paradigmatic changes in ASEAN's cooperation norms. The answer is definitely no. Member states responded quite differently to the reform debate. The new members from mainland Southeast Asia (CVLM countries) mostly rejected the normative changes, Singapore, too, was highly skeptical and Malaysia reluctant. Only the Philippines and Indonesia promoted them wholeheartedly. Indonesia, in the process of re-establishing its regional leadership and in an attempt to transfer its own post-crisis democratization to the region, energetically promoted democracy at the national as well as the regional level (Rüländ 2014b, 2017 forthcoming; Wirajuda 2014; Poole 2015). Democracy, argued Foreign Minister Hassan Wirajuda, can only flourish in a democratic environment. With these highly diverse attitudes towards ASEAN reforms, the Charter could only be a compromise document, disappointing the reform-minded stakeholders and going much too far for governments which sought to preserve the ASEAN Way as much as possible. Therefore, at the domestic level, ASEAN reforms oscillated between mere emulation as in the CVLM countries, paying only lip service to the new values, and

localization of the more progressive ASEAN member countries. CVLM countries exhibited particularly strong resistance against the introduction of liberal-cosmopolitan norms in the ASEAN Charter. It is thus not surprising that the envisaged regional human rights mechanism became a fiercely contested issue in the Charter debate (Koh, Manalo & Woon 2009). The May 2014 military coup in Thailand, only mildly criticized by fellow ASEAN members, also showed that the Charter's liberal-cosmopolitan values carried much less weight than the established non-interference norm.

Yet, while the majority of ASEAN member countries did not intend to enact domestic reforms in consonance with the Charter, at the regional level their resistance could not prevent that the old and the new values became fused, that is, localized. Examples for such processes of localization are the symbolism of leader-CSO interfaces, retaining much of ASEAN's regional corporatism (Rüland 2014a), the terms-of-reference of the ASEAN Intergovernmental Commission on Human Rights (Tan 2011), which allowed for the promotion, but not the protection of human rights, and the ASEAN Human Rights Declaration, which still stuck to the contextualized human rights concepts that authoritarian ASEAN member states propagated during the heyday of the Asian values debate.

3. Domestic Responses to the Crisis

While it was comprehensible that ASEAN's authoritarian governments were lukewarm about importing EU norms of regional integration, and mainly supported ASEAN's reform process because it promised to markedly improve the region's international image, it requires explanation why also the more progressive and democratically minded governments such as Indonesia sought to retain major elements of the region's cognitive prior and in the end settled for a localization of EU-inspired ideas of regional integration. I argue, employing historical institutionalism, that although foreign policy stakeholders sought to learn from European regional integration, they met with strong ideational counter currents at home, which have been conditioned by a long-enduring discourse on vulnerability, victimization and survival. This discourse can be traced in virtually all ASEAN member countries, including newly democratizing Indonesia.

The survival discourse is path-dependent. It has been reproduced through the persistent experience of violence, war and turbulence in international relations. Colonialization, the Second World War and Japanese occupation, Cold War Great Power interventions culminating in the wars in Indochina and countless intra-state conflicts, in some cases fomented by external actors, the inequitable post-colonial global economic order and an international institutional architecture seen as discriminating against the Global South – all this has given rise to perceptions of an inherently hostile external world.

The Asian Financial Crisis and its aftermath has reaffirmed these perceptions. The crisis produced an abundance of conspiracy theories, which portrayed the economic downturn as deliberate policy of the West, tantamount to an “economic war” with the objective to weaken the breathtaking economic rise of East and Southeast Asia, to arrest the concomitant gravitational shift in world politics from the North Atlantic to the Asia-Pacific and to bring down unpopular authoritarian regimes such as the Suharto regime in Indonesia. U.S. reluctance to support Thailand, the country where the crisis originated, was as seen as

evidence for these beliefs, as were the onerous rescue packages imposed by the IMF on the crisis-stricken countries except Malaysia. The symbol for these perceptions was the folded-armed French IMF Director Michel Camdessus watching President Suharto as he set his signature to the rescue agreement. Ignoring the home-made causes, governments in the region – at least initially – viewed the crisis as primarily externally caused (Dieter 1998).

The survival discourse in many ASEAN countries has been eloquently summarized by former Singaporean Foreign Minister Jayakumar in his political autobiography, in which he depicts international politics as largely anarchical: big fish eats small fish. Small states – like Singapore and by implication the other ASEAN states as well – must therefore prevent that the international arena degenerates into the law of the jungle, making the lives of small nations – citing Hobbes – “nasty, brutish and short” (Jayakumar 2011: 76). Also Thai and Indonesian views of international politics are full of references to the vulnerability of these countries and their victimization by Great Powers. Such fears can be traced as far back as the pre-colonial times and even today threat perceptions are seen in analogy to the Ayudhaya and Majapahit empires. The Burmese arch enemy influenced the Thai regional strategic outlook as much as the “threat from the North” (referring to a thirteenth century naval excursion of Kublai Khan into Java) Indonesian views. In culturally Indianized Southeast Asia, the perception of an anarchical international (dis-)order is strongly conditioned through worldviews mediated by the highly influential *Ramayana* and *Mahabharata* epics and in Sinicized Southeast Asia through the strategems of the Sun Tze or the Romance of the Three Kingdoms (*Sam Kok*) (Nguitraoool & Rüländ 2015). The image this literature passes on to contemporary perceptions of the outer world is one in which the good always has to fight evil forces and in which demons can only be subdued through brute military force. These views are reproduced and amplified in numerous art genres, drawing from these epics, even including comics. More optimistic doctrines such as “zero enemies, a million friends”⁵ of former Indonesian President Susilo Bambang Yudhoyono are outliers and are balanced by other statements in which he likened international politics to “turbulent seas”⁶ or his Foreign Minister’s doctrine of regional politics as a “dynamic equilibrium.”⁷

The Indonesian case also shows that the lofty norms of the ASEAN Charter have only been weakly internalized, even by those stakeholders who had strongly pushed for the adoption of European (or Western) liberal-cosmopolitan norms in the ASEAN Charter debate. This becomes evident in situations when national sovereignty and, hence, national dignity is at stake. Such constellations included territorial or boundary disputes or the perceived loss of economic autonomy. The dispute over maritime boundaries with Malaysia over the Ambalat Block, for instance, has aroused belligerent rhetoric in the Indonesian legislature, among academics and in the press. “Once in a while we have to shoot them,” a legislator caustically summarized these sentiments⁸ which included calls for mobilizing volunteers by ultranationalist uncivil society organizations.⁹ Even respectable newspapers started

⁵ *The Jakarta Post*, 7 January 2011.

⁶ *The Jakarta Post*, 2 January 2007.

⁷ Foreign Minister Marty M. Natalegawa at the Annual Press Statement of the Foreign Minister, 7 January 2011, available at: <http://www.deplu.go.id/Pages/SpeechTranscriptionDisplay.aspx?Name1=Pidato&Name2=Menteri&IDP=698&l=en>, (accessed 17 January 2011).

⁸ *Suara Pembaruan*, 5 March 2007, available at: (<http://www.suarapembaruan.com/News/2007/03/05/Nasional/nas01.htm>) (accessed 11 April 2008).

⁹ *Tempo Interaktif*, 8 March 2005, 14 March 2005 and 3 September 2010.

comparing the arms arsenal of Indonesia and Malaysia¹⁰ and the President held an (otherwise conciliatory) speech related to the dispute in the armed forces headquarters.¹¹ Also the ASEAN China Free Trade Agreement, which led to a flooding of the Indonesian market with cheap (and often substandard) Chinese goods, caused a strong nationalist backlash and a policy shift towards economic nationalism. The inauguration of the AEC stimulated similar responses in parts of the Indonesian public (Rüland 2016).

Although governments usually try to counteract these populist tendencies, the shrill and emotional rhetoric does not only show that liberal-cosmopolitan values are sidelined when it comes to the crunch, it even questions that older core values of the ASEAN Way such as “peaceful dispute settlement” have been internalized. In times of tensions extant beliefs of a hostile external world are reproduced which stand in the way of regional cooperation and cohesion. In such situations, long-standing policy doctrines are revived which highlight “national interest” as the paramount behavioral guide in foreign policymaking. “*Bebas-dan-aktif*” (free and active) and “*ketahanan nasional*” (national resilience) are ideological embodiments of such preferences. Leadership claims and securitization tendencies in the form of an aborted security sector reform and a revitalization of the military through stepped-up arms acquisition further limit the confidence of neighbors in the country’s commitment to regional cooperation. While under such circumstances the deepening of cooperation proceeds only slowly and regional identities remain shallow, thinking in terms of political realism still plays a major role in ASEAN’s countries’ practical foreign policy behavior. Strategic concerns loom large and are expressed through rhetorical figures related to balancing, bandwagoning, hedging and concert of powers. The result are concepts such as a “post-ASEAN policy,”¹² Cambodia’s siding with China in the South China Sea dispute at the ASEAN Foreign Minister’s Meeting in 2012 and limited cohesion in international organizations such as the WTO (Nguitragool & Rüland 2015).

4. Conclusion

The paper has demonstrated four things: *First*, even in the face of a very severe crisis, ASEAN did not wholly transform its repository of cooperation norms, as the theoretical literature on ideational change would predict. Although rhetorically appropriating liberal-cosmopolitan values in its post-crisis reform process, ASEAN still mainly operates on the basis of the sovereignty-based values espoused by the regional cognitive prior, the ASEAN Way. *Second*, the study suggests that the post-crisis Europeanization of Southeast Asian regionalism remained superficial, confined to terminological affinities. Hence, it is also problematic to speak of a convergence or increasing similarities between ASEAN and the EU as some of the more recent literature theoretically inspired by world polity theory suggests. Despite increased recognition by stakeholders in the region that the EU is the front runner model of regional integration, ASEAN’s ideational core norms of cooperation remained very different from the EU. *Third*, the decision of ASEAN governments to emulate or, at best, to localize European norms of regional integration confirms Acharya’s argument that a deeply entrenched cognitive prior delimits the transformative power of new external ideas, norms

¹⁰ *Tempo Interaktif*, 8 March 2005.

¹¹ *Detik News*, 1 September 2010.

¹² Rizal Sukma in *The Jakarta Post*, 30 June 2009.

and policies (Acharya 2004, 2009). And, *fourth*, the eclectic theoretical approach proved useful, as it suggested that in times of crisis, a modicum of strategic calculation occurs among stakeholders, embodied in the process of “bounded” political learning. ASEAN foreign policy elites had indeed realized that in order to rebuild the region’s international image, which had severely suffered after the crisis and under the cacophony of political responses it had initially caused in the region, they must restructure regionalism by learning from more successful models of regional integration. While at the time of the Asian Crisis, the EU indisputedly was this model, the same might no longer be the case in the light of the EU’s more than clumsy handling of the Euro and the refugee crisis. While this issue cannot be discussed here, the paper showed that reflexivist approaches explained well, why even more progressive ASEAN members such as newly democratizing Indonesia, merely opted for a localization of European ideas of regional integration and maintained core elements of the ASEAN Way. The answers to this puzzle have been searched and found in the domestic arena of Southeast Asian nations in which notions of political realism still markedly shape attitudes towards regional integration.

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