

ASEAN-Japan Exchange Year 2003



JAPAN-ASEAN Security Symposium 2003

Tokyo, Japan October 9-10, 2003

Co-organized by: The Japan Institute of International Affairs (JIIA), and
Institute of Defence and Strategic Studies, Singapore (IDSS)
Hosted by: Ministry of Foreign Affairs, Japan



Foreword

This report was compiled from the conference proceedings of the “ASEAN-Japan Exchange Year 2003 Project: Japan-ASEAN Security Symposium 2003” (9–10 October 2003, Tokyo). The symposium was held by the Japan Institute of International Affairs (JIIA) and commissioned by the Ministry of Foreign Affairs of Japan in FY2003. Co-organizers were the JIIA and the Institute of Defence and Strategic Studies of Singapore (IDSS). Participants consisted of government-related security affairs officials from Japan and the ten ASEAN countries, as well as university and think-tank researchers participating in their private capacities.

The year 2003 commemorates the 25th anniversary of the establishment of the ASEAN Culture Fund, to which great contributions were made by former Prime Minister Takeo Fukuda upon its establishment. An agreement was formally made at the Japan-ASEAN Summit Meeting held in November 2002 to designate the year 2003 as “ASEAN-Japan Exchange Year 2003.” To that end, Japan and ASEAN exchange projects in a wide range of areas including politics, the economy, society, education, and arts and culture have been conducted during FY2003 in order to strengthen further a sincere and open partnership with ASEAN, with whom Japan will “act together and advance together.” Security-related exchange projects between Japan and ASEAN countries have yet to be implemented. In this regard, it could therefore be noted that the “Japan-ASEAN Security Symposium 2003” carried a very significant value in strengthening further dialogue and cooperative relations on security issues between Japan and ASEAN countries.

The symposium had the following three purposes: 1) realizing free and lively discussions through Track II with the objective of strengthening Japan-ASEAN security cooperation; 2) strengthening ties among government-related officials and researchers from Japan and ASEAN countries, thereby constructing a network of experts specialized in security; and 3) as a mid- to long-term goal, establishing a new framework for discussions among government-related officials, which extends beyond the currently existing frameworks for dialogue on security issues in the Asia-Pacific region.

The results from this symposium have been compiled as the Co-Chairmen’s Report. It is expected that its content will be referred to at the Japan-ASEAN Commemorative Summit, which is scheduled to be held in Tokyo in December 2003.

Finally, the JIIA would like to extend its deepest appreciation to each and every individual in the Regional Policy Division, Asian and Oceanian Affairs Bureau of the Ministry of Foreign Affairs of Japan, who have made this symposium possible.

Japan Institute of International Affairs

December 2003

Contents

Co-Chairmen's Report	4
List of Participants	6
Program	8
Presentation Papers	
Security Challenges in East Asia: An ASEAN Perspective <i>Jusuf Wanandi, Member, Board of Trustees and Senior Fellow, Centre for Strategic and International Studies (CSIS), Jakarta</i>	11
Security Challenges to Japan <i>Prof. Koichi Kawakami, Professor, National Graduate Institute for Policy Studies</i>	12
Japan-ASEAN Cooperation on Counter-Terrorism Measures <i>Mohamed Jawhar Hassan, Director General, Institute of Strategic and International Studies (ISIS Malaysia)</i>	14
Export Control and Transnational Crime <i>Ichiro Ogasawara, Director of Arms Control and Disarmament Division, Ministry of Foreign Affairs of Japan</i>	17
Proliferation of Weapons of Mass Destruction in East Asia— A Singaporean Perspective of the North Korean Problem <i>Fook Weng Loo, Assistant Professor, Institute of Defence and Strategic Studies (IDSS)</i>	20
Maritime Security Measures of the Japan Coast Guard <i>Satoshi Nakajima, Head of Office, Security Division, Japan Coast Guard (JCG)</i>	24
Peacekeeping Operations and Intra-State Conflicts <i>Wiryo Sastrohandoyo, Senior Fellow, Centre for Strategic and International Studies (CSIS)</i>	31
The Roles of Regional Security Institutions: Beyond "Talk Shops"? <i>Tsutomu Kikuchi, Professor, Aoyama Gakuin University, Adjunct Research Fellow, Japan Institute of International Affairs (JIIA)</i>	37
Reference	
DECLARATION OF ASEAN CONCORD II (BALI CONCORD II), 7–8 October 2003	43
Speech by Prime Minister of Japan Junichiro Koizumi ASEAN Business and Investment Summit	50
ASEAN-Japan Summit Phnom Penh 5 November 2002 Joint Declaration of the Leaders of ASEAN and Japan on the Comprehensive Economic Partnership	53
Speech by Prime Minister of Japan Junichiro Koizumi Japan and ASEAN in East Asia—A Sincere and Open Partnership	57

Co-Chairmen's Report

In celebration of 2003 as the Year of Japan-ASEAN Exchange, the Japan Institute of International Affairs (JIIA) and the Institute of Defence and Strategic Studies (IDSS), Singapore, convened a Symposium in Tokyo on 9–10 October to review the progress of, and prospects for, Japan-ASEAN security cooperation. The Symposium brought together senior officials and analysts from the leading institutes of strategic and international studies in ASEAN and their Japanese counterparts. A list of the participants in the Symposium is attached.

Japan-ASEAN security dialogue stands at a critical juncture at the beginning of the 21st century. In the 25 years following the establishment of the ASEAN Cultural Fund, a process in which former Prime Minister Takeo Fukuda played a key role, Japan and ASEAN established a broad and substantive range of economic and socio-cultural relations within the political and security framework of the Cold War period. The Asia-Pacific region now confronts a new geopolitical environment in the post-Cold War and post-September 11th period. There is a need to review the increasingly multi-faceted interfaces between Japan-ASEAN relations and the new and complex geopolitical environment.

Symposium participants highlighted significant shifts in US and Chinese policies towards the Asia-Pacific region and their implications for Japan, ASEAN as well as their relations with each other. Furthermore, the region needs to address a new set of non-traditional security challenges. These changes in the geopolitical environment provide an impetus for Japan and ASEAN to review their political relations and plan how they can more effectively interface their economic and socio-cultural relations with the new political and security realities.

The Symposium identified a number of critical political and security challenges for Japan-ASEAN cooperation. These include:

- a. Counter-terrorism measures;
- b. Export control and transnational crime;
- c. Military modernization and WMD;
- d. Maritime security;
- e. PKOs (including joint training and exercises); and
- f. Regional security frameworks.

The above list of issues, symposium participants stressed, is not exhaustive, as there may be other critical issues that deserve attention, such as aviation security.

These are complex issues that require more studies to be conducted by senior officials from both ASEAN and Japan. Symposium participants therefore recommended that the Japan-ASEAN

Commemorative Summit in December 2003 designate a Senior Officials' Meeting (SOM) to study more systematically how these changes in the region's geopolitical environment impact Japan-ASEAN relations and to recommend proposals on how Japan and ASEAN can more effectively cooperate in order to meet these new geopolitical challenges.

Symposium participants also recommended that a Track II network of officials (acting in their private capacities) and representatives of strategic and international studies institutions be established to support the SOM in their deliberations. The Symposium nominated the JIIA and the IDSS to offer their services to their governments, and to convene in 2004 a team of experts from Japan and ASEAN to further study and recommend measures to be adopted by Japan and ASEAN so as to better manage the new political realities and security challenges of the 21st century. Symposium participants recommended that their ministers consider drawing funds from existing Japan-ASEAN funds to support the JIIA and IDSS in convening two Workshops (one in Tokyo and the other in Singapore), leading to a second Symposium in Singapore that will draw up a report and a series of recommendations for consideration by the heads of government when they meet again.

Yukio Satoh
President
Japan Institute of International Affairs

Barry Desker
Director
Institute of Defence and Strategic Studies

October 10, 2003

List of Participants

CHAIRS:

Ambassador Yukio SATOH

President, Japan Institute of International Affairs (JIIA)

Ambassador Barry DESKER

Director, Institute of Defence and Strategic Studies (IDSS)

Brunei Darussalam

Mr. Jaini ABDULLAH

Director, Department of Administration, Ministry of Foreign Affairs

Ms. Izzah Daraina BADARUDDIN

Diplomatic Officer, Ministry of Foreign Affairs

Cambodia

Mr. SISOWATH Chanto Doung

Deputy Executive Director and Senior Research Fellow, Cambodian Institute for Cooperation and Peace

Indonesia

Ambassador Wiryono SASTROHANDOYO

Senior Fellow, Centre for Strategic and International Studies (CSIS); former Ambassador to Austria, France and Australia

Mr. Jusuf WANANDI

Member, Board of Trustees, and Senior Fellow, Centre for Strategic and International Studies (CSIS)

Lao PDR

Mr. Bounsom PHOMMAVIHANE

Deputy Director General, Department of Economic Affairs, Ministry of Foreign Affairs

Ms. Sengchanh SOUKHASEUM

Director-General, the Institute of Foreign Affairs, Ministry of Foreign Affairs

Malaysia

Ms. NAZIRAH Hussain

Under-Secretary, Policy Planning Division, Ministry of Foreign Affairs

Dato' Dr. Mohamed JAWHAR bin Hassan

Director-General, Institute of Strategic and International Studies (ISIS), Malaysia

Myanmar

Prof. Khin Maung Nyunt

Professor, Historical Research Commission, University of Yangon

Dr. Maung Aung Myoe

Department of International Relations, University of Mandalay

Philippines

Dr. Noel Mañago MORADA

Executive Director, Institute for Strategic and Development Studies, Inc. (ISDS)

Singapore

Mr. CHUA Thai Keong

Director, Ministry of Foreign Affairs

Dr. Evelyn GOH

Assistant Professor, Institute of Defence and Strategic Studies (IDSS)

Mr. KWA Chong Guan

Head of External Programmes, Institute of Defence and Strategic Studies (IDSS)

Dr. Fook Weng LOO

Assistant Professor, Institute of Defence and Strategic Studies (IDSS)

Thailand

Ambassador Nitya PIBULSONGGRAM

Advisor to the Minister of Foreign Affairs, Ministry of Foreign Affairs

Dr. Kusuma SNITWONGSE

Chairperson, Advisory Board, Institute of Security and International Studies (ISIS)

Viet Nam

Dr. DO Son Hai

Head of Department of International Politics and Vietnamese Diplomacy, Hanoi Institute for International Relations

Dr. Tuan Anh HOANG

Assistant-Director-General, Director of Research, Institute for International Relations (IIR)

Japan

Prof. Koichi KAWAKAMI

Professor, National Graduate Institute for Policy Studies

Prof. Tsutomu KIKUCHI

Professor, Aoyama Gakuin University; Adjunct Research Fellow, Japan Institute of International Affairs (JIIA)

Mr. Kuninori MATSUDA

Director of Research Coordination, Japan Institute of International Affairs (JIIA)

Dr. Makio MIYAGAWA

Director of Regional Policy Division, Asian & Oceanian Affairs Bureau, Ministry of Foreign Affairs

Mr. Satoshi NAKAJIMA

Head of Office, Security Division, Guard and Rescue Department, Japan Coast Guard (JCG)

Mr. Ichiro OGASAWARA

Director of the Arms Control and Disarmament Division, Ministry of Foreign Affairs

Captain Katsuyuki TERAYAMA

Chief of Arms Control Section, Joint Staff Office, Japan Defense Agency

Prof. Susumu YAMAKAGE

Professor, the University of Tokyo; Adjunct Research Fellow, Japan Institute of International Affairs (JIIA)

Ms. Haruka MATSUMOTO

Research Fellow, Japan Institute of International Affairs (JIIA)

Mr. Masahito YAJIMA

Major of JASDF & Assistant Director, Regional Policy Division, Asian & Oceanian Affairs Bureau, Ministry of Foreign Affairs

Program

October 9, Thursday

9:00–9:45 Opening Remarks:

Moderator: Mr. Kuninori MATSUDA, Director of Research Coordination, JIIA

“Changes in the Security Environment of Japan and ASEAN since the 9-11 Attacks”

From ASEAN’s perspective: Ambassador Barry DESKER, Director, IDSS

From Japan’s perspective: Ambassador Yukio SATOH, President, JIIA

10:00–13:00 Session 1: Security Perceptions

Moderator: Mr. KWA Chong Guan, Head of External Programmes, IDSS

A. Security Challenges to ASEAN

Mr. Jusuf WANANDI, Member, Board of Trustees, and Senior Fellow, CSIS

B. Security Challenges to Japan

Professor Koichi KAWAKAMI, National Graduate Institute for Policy Studies

Discussion

14:30–17:30 Session 2: Security Challenges and Cooperation between Japan and ASEAN

Moderator: Professor Susumu YAMAKAGE, the University of Tokyo

Part 1

C. Counter-terrorism Measures

Dato’ Dr. Mohamed JAWHAR bin Hassan, Director-General, ISIS-Malaysia

D. Export Control and Transnational Crime

Mr. Ichiro OGASAWARA, Director of the Arms Control and Disarmament Division, MOFA, Japan

E. WMD (Including Military Modernization)

Dr. Fook Weng LOO, Assistant Professor, IDSS

Discussion

October 10, Friday

9:00–12:00 Session 2: Security Challenges and Cooperation between Japan and ASEAN

Moderator: Dr. Fook Weng LOO, Assistant Professor, IDSS

Part 2

F. Maritime Security

Mr. Satoshi NAKAJIMA, Head of Office, Security Division, JCG

G. PKOs (Including Joint Training and Exercises)

Ambassador Wiryono SASTROHANDOYO, Senior Fellow, CSIS

H. Regional Security Frameworks (ARF, ASEAN+3)

Professor Tsutomu KIKUCHI, Aoyama Gakuin University

Discussion

13:30–16:00 Session 3: Wrap-up Session

Moderator: Mr. Kuninori MATSUDA, Director of Research Coordination, JIIA

Drafting of a co-chairmen's report for the Japan-ASEAN Summit Meeting at Tokyo in December 2003

Discussion

Security Challenges in East Asia: An ASEAN Perspective

Jusuf Wanandi
Member, Board of Trustees and Senior Fellow,
Centre for Strategic and International Studies (CSIS), Jakarta

1. There are several layers of security concerns and challenges in East Asia that are intertwined and as such have to be dealt with simultaneously.
2. The first layer is “classical” security issues, involving historical and traditional issues:
 - The problems and challenges of the Korean Peninsula. The divide is a relic of the Cold War that has again become acute due to the proliferation threat.
 - Then there is the problem of the Taiwan Straits between China and Taiwan, a relic of China’s civil war in the 1930s and 1940s.
 - There are other problems, such as the overlapping claims in the South China Sea by China, Taiwan, Malaysia, Vietnam, Philippines and Brunei.
 - Another problem is the increase in military spending, especially in Northeast Asia. All these problems are “hard” security issues, where the role of the United States (US) is critically important and very dominant in keeping the problems more or less under control.
3. The second layer involves the new threats and challenges of global and regional terrorism as well as the problem of proliferation of weapons of mass destruction (WMD). Here again the US has a dominant role to play, in both the traditional challenges above and these new challenges. Others in the region also have a role to play.
4. The third layer is domestic and internal challenges, resulting also from globalization, especially the impacts of the 1997/98 financial crisis in East Asia.

Here, it is the countries concerned that are mainly responsible for responding to the challenges, but assistance and support from the region and the international community could be critical. As has been said above, the three layers of security challenges are intertwined, and could not be separated. In this sense, the one challenge will influence the other two, and by solving one issue, others could be assisted in finding their solution.

5. In looking for solutions, first, it has to be recognized that the role and presence of the US are dominant, and her role in keeping peace and stability is critical for the region. However, regional institutions, especially the Association of Southeast Asian Nations (ASEAN) Regional Forum (ARF), could be supporting instruments to make that critical role of the US more acceptable and effective. But at the same time, there is a serious need to improve the ARF and its objectives, programs, institutions and leadership.
6. Japan-ASEAN’s role in making the ARF effective again is important in addition to ASEAN’s own effort to get its act together. But more important is their cooperation to face the new challenges of global and regional terrorism and the proliferation of WMD in the region. This also includes efforts to cooperate with the US in a more pro-active way in the future. In so doing, they will assist the US in a positive way and make the US more successful in exercising her leadership. This will make her more acceptable to the public in the region. ASEAN’s support for Japan to gradually become a “normal” country in the context of the US alliance is also important for the region.

Security Challenges to Japan

Koichi Kawakami
Professor, National Graduate Institute for Policy Studies

1. Traditional Challenges

General Strategic Situation

This year marks the 14th year since the announcement of the end of the Cold War by the leaders of the United States (US) and the Soviet Union in Malta.

In Western Europe, the risk of an armed conflict between states is as low as ever. Viewed from France, for instance, the traditional threat that used to exist at the border between East and West Germany now seems distant. Nowadays, terrorism is considered to be the most imminent threat for France.

In Asia, the situation is different. Of course, the end of the Cold War brought about certain changes in Asia.

In Southeast Asia, the risk of an armed conflict between states caused by the difference in ideology has become extremely low. Moreover, Association of Southeast Asian Nations (ASEAN) seems to represent the beginning of the future Asian regional integration. In Southeast Asia, as in Western Europe, terrorism is considered to be the most urgent threat at present.

There were certain changes in Northeast Asia as well.

The main challenge for Japan during the Cold War period was to prevent the potential landing and invasion by the Soviet forces in northern Japan. After the end of the Cold War, the Russian military presence in the Far East was dramatically diminished from 500,000 soldiers and 40 divisions to 110,000 soldiers and less than 10 divisions. For the time being, the Russian military presence in the Far East will be low-profile.

But in Northeast Asia, there are still legacies of the Cold War. The situation of potential military confrontation on the Korean Peninsula and in the Taiwan Straits remains unchanged.

The important US military presence in the Far East contributes to the stability of the region. The US maintains some 36,000 soldiers in South Korea and 38,000 in Japan.

It must be reminded that Japan has territorial issues with major players in the region, including the Northern Territories, Takeshima Island and Senkaku Archipelago.

The Korean Peninsula

On the Korean Peninsula, there exists only the armistice agreement of 1953 and no peace treaty. One and a half million soldiers stand face-to-face around the Demilitarized Zone.

North Korea has shown sporadic terrorist attacks, guerrilla warfare and invasions by special forces both inside and outside the Korean Peninsula. Back in 1983, there was an attempt to assassinate the then South Korean President in Burma (Rangoon incident). One of the most recent examples is the exchange of fire between a suspicious North Korean boat (which later sank) and the Japan Coast Guard in 2001. In addition to the recent doubts about North Korea's nuclear development program and the issue of abduction of Japanese nationals, the proliferation of weapons of mass destruction (WMD) and missiles is also a concern of the international community.

The intention of North Korea is unclear. Is it intentionally increasing tensions to obtain concessions from the other parties? Or does it really intend to possess nuclear weapons? It seems that the ultimate goal for North Korea is to ensure the survival of its regime. If that is the case, there is room for a negotiated settlement.

The Taiwan Straits

Although there have developments in the economic field such as the rapid increase of direct investment from Taiwan to mainland China, political dialogue is yet to begin.

The strategic significance of Taiwan cannot be underestimated. From Japan's point of view, the Southwest sea lane passes through the area. In addition, Taiwan is an excellent location for submarine bases. Any changes in the area will also affect the opinions of ethnic

Chinese minorities in the Southeast Asian countries.

China has an overwhelming superiority over Taiwan on quantitative basis, but not on qualitative basis. But the Taiwan authority feels that the qualitative military competition will soon start.

The situation on the Korean Peninsula and in the Taiwan Straits shows that traditional deterrence is functioning well for the maintenance of peace and stability in this region.

2. Rise of China and its future strategic implications

China has introduced a market-oriented economy while maintaining its communist one-party system and is realizing astonishingly rapid economic growth. The rise of China has often been described as a “business chance,” but in view of the recent drastic shift of the direction of foreign direct investment from Southeast Asia to China, we will have to make sure that it is really a “win-win” situation.

The recent efforts by China to modernize its armed forces, combined with the rapid economic growth, might lead to future modification of the military balance in the region. According to the Annual Report by the Pentagon dated 28 July 2003, Chinese annual military spending might be between US\$45 and 65 billion instead of 20 billion as announced by the Chinese authorities. This Pentagon report was immediately criticized by China as baseless. However, we may expect more transparency from the Chinese side concerning its military modernization efforts.

3. Asymmetric Challenges

There are various types of asymmetric threats. Three typical asymmetric threats will be described below.

Terrorism

In the past, there have been examples of acts of terrorism by Japanese terrorists or targeting Japanese interests. The Japanese Red Army was responsible for the Tel Aviv Airport incident in 1972 and Kuala Lumpur incident in 1975. The religious sect Aum attacked the subway of Tokyo using sarin gas in 1995. Furthermore, the Japanese Ambassador’s residence in Peru was

attacked by Peruvian terrorists in 1996.

Japan has been actively cooperating in the fight against terrorism in Afghanistan, but so far there have been no cases of terrorism against Japanese interests.

Traditional deterrence does not work against terrorism. The highly sophisticated infrastructure of Japan, including its bullet trains and nuclear power plants, makes Japan vulnerable against such attacks. We also have to take into account the existence of US military bases in Japan.

Utmost efforts should be made so that people clearly understand that the fight against terrorism is not a fight against Islam. The Japanese government has been making efforts to this effect, such as promoting dialogue between civilizations and networking between intellectuals.

Piracy

Japan imports almost 90% of its energy and over 60% of its food from abroad. Most of these items are transported by ship. Therefore, the frequent acts of piracy in Southeast Asia, especially in the Malacca Straits, are of great concern to Japan. The Japanese government is strengthening its bilateral and multilateral efforts to combat piracy.

Cyber Warfare

Without the Internet, the September 11 attacks would not have been possible.

The sophisticated information technology (IT) infrastructure of Japan, both of the public and private sector, is highly vulnerable to cyberattacks by terrorists.

4. Conclusion

Traditional threats that exist in Northeast Asia, which are the remnants of the Cold War, are dealt with by the traditional deterrence. To further strengthen the stability of the region, more efforts should be made to enhance the bilateral ties between the major players of the region, which include the US, Russia, China and Japan.

As for non-traditional or asymmetric threats, traditional deterrence does not work. Therefore, efforts should be made to further strengthen international and regional cooperation.

Japan-ASEAN Cooperation on Counter-Terrorism Measures

Mohamed Jawhar Hassan
Director General, Institute of Strategic and International Studies (ISIS Malaysia)

Introduction

Terrorism is not a new problem in the region. Neither Japan nor the states of the Association of Southeast Asian Nations (ASEAN) are strangers to terrorism. The terrorist threat in the region is also much less extensive than it was decades ago. In Japan, there is no known terrorist organization today. In Southeast Asia, terrorism, which prevailed in many countries, has largely dissipated except in the Philippines.

A major concern in the region, however, is the Jemaah Islamiyah (JI). Not much credibility is given to its purported aim of establishing an Islamic caliphate in a polity binding Indonesia, Malaysia, Brunei, Singapore, Southern Philippines and Southern Thailand. The JI has sprung to prominence since September 11, 2001 and the attacks led by the United States (US) on Afghanistan and Iraq. However, when it was discovered that it was targeting the interests in the region of the US, the United Kingdom (UK), Australia and Israel, resulting among others in the Bali and J.W. Marriott Jakarta bombings in Indonesia.

The global campaign against international terrorism launched after September 11, 2001 and the existence of international terrorist elements in the region such as the JI provide an opportunity for Japan-ASEAN cooperation to combat this threat.

Counter-Terrorism Measures

Measures to counter terrorism cover an enormous area, depending on the nature and severity of the threat posed. They are of two broad categories: measures to address root causes that are also preventive in nature, and measures to eliminate the terrorist organization and its infrastructure.

Measures to address root causes are based on an assessment of the factors that are driving the terrorist activity. These factors can be political (occupation;

perceived oppression; ethnic, linguistic or religious discrimination, etc.) or socio-economic (poverty, extreme social inequities, corruption, etc.).

Measures to eliminate terrorism include surveillance and intelligence exchange, denial of supplies and funds, control of arms and explosives, protective security measures, arrest and detention operations, search and destroy operations, etc.

Counter-terrorism operations also include ideological measures, that is, measures to counter extremist and militant terrorist ideology, and to condition popular perceptions and attitudes, such as measures to counter abuse of religious teachings.

Counter-Terrorism Cooperation Involving ASEAN Countries

There has been long-standing bilateral cooperation between the governments and security agencies of Thailand/Malaysia, Malaysia/Indonesia and Malaysia/Singapore in the fight against communist terrorism that has stood these countries in good stead in the current campaign against international terrorism. The cooperation between Singapore and Malaysia especially has been truly remarkable.

Since the launching of the global campaign against international terrorism following September 11, 2001 the ASEAN countries have issued declarations and entered into agreements with one another and with the rest of the international community to cooperate to combat terrorism. The most important of these are the 2001 ASEAN Declaration on Joint Action to Counter Terrorism dated 5 November 2001; the ASEAN Ministerial Meeting on Transnational Crime (AMMTC), Kuala Lumpur, 20-21 May 2002; the ASEAN-US Joint Declaration for Cooperation to Combat International Terrorism, Bandar Seri Begawan, 1 August 2002; the ASEAN Regional Forum (ARF) Statement on Measures Against Terrorist Financing, Bandar Seri Begawan, 30 July 2002; the

Declaration on Terrorism by the 8th ASEAN Summit, Phnom Penh, 3 November 2002; and the Joint Declaration on Cooperation to Combat Terrorism, 14th ASEAN-European Union (EU) Ministerial Meeting, Brussels, 27 January 2003.

In addition, the ASEAN countries are party to a number of declarations and agreements on transnational crime that contribute to the combating of terrorism. A Work Programme to Implement the ASEAN Plan of Action to Combat Transnational Crime was adopted in May 2002.

In the same month, Malaysia, Indonesia and the Philippines signed the Agreement on Information Exchange and Establishment of Communication Procedures to combat transnational crime. Thailand and Cambodia acceded later.

Beyond this, some of the ASEAN countries as well as Japan are also party to some of the 12 international conventions and protocols related to terrorism such as the International Convention for the Suppression of the Financing of Terrorism.

Besides working together within the framework of the ARF, ASEAN and Japan are also cooperating in the context of ASEAN+3 to combat transnational crime and counter terrorism. The ASEAN Ministers of Transnational Crime will hold joint consultations with their counterparts from Japan, China and South Korea later this year.

The ASEAN countries have agreed to focus on several key areas in their joint efforts to counter terrorism. These include:

1. Establishing a regional database on national and international laws, regulations, treaties and agreements pertaining to counter-terrorism.
2. Strengthening of national counter-terrorism mechanisms.
3. Deepening cooperation among law enforcement agencies and sharing experiences and "best practices."
4. Improving information and intelligence exchange on the terrorist organizations, terrorist movements and funding.
5. Enhancing regional capacity building programmes to strengthen the capabilities of institutions to investigate, detect, monitor and report on terrorist activities.
6. Cooperation in legal matters.
7. Training.
8. Early accession to all relevant anti-terrorist conven-

tions and treaties.

9. Establishment of ASEAN focal points on counter-terrorism.
10. Establishment of an anti-terrorism task force in each ASEAN country to strengthen cooperation on counter-terrorism in the country and facilitate collaboration with neighboring countries following a terrorist attack. Assistance required of a neighboring country could include identifying, pursuing and apprehending suspects, examination of witnesses, search and seizure of evidence, etc.
11. Freezing of terrorist assets.

Malaysia has also established the Southeast Asia Regional Centre for Counter-Terrorism (SEARCCT). The Center focuses on training and capacity building, both for Malaysians as well as foreigners.

Problems Affecting Counter-Terrorism Efforts in Southeast Asia

Despite these efforts to intensify operations against terrorist organizations in the region in the wake of the global "war" on international terrorism, there has only been limited success. More than 180 JI suspects have been arrested and detained by the end of July 2003 (about 80 in Malaysia, 32 in Singapore, about 50 in Indonesia, approximately 12 in the Philippines, and 8 in Thailand and Cambodia). Prominent figures that have been brought to trial in Indonesia include Abu Bakar Ba'asyir, the suspected head of JI, and Mukhlas (Ali Ghofron), the leader of the group responsible for the Bali attack. Hambali, the suspected head of operations of the JI, was arrested in Thailand. Fathur Rohman al-Ghozi was arrested in the Philippines, but managed to escape in July under the most embarrassing circumstances.

These are generally not insignificant achievements, but it is assessed that the JI continues to have about 300 members still at large, with a capacity (though significantly reduced) to carry out terrorist attacks.

The main factors inhibiting success in countering terrorism in Southeast Asia appear to include the following:

1. Limited intelligence capacity among national agencies, in particular in Indonesia and the Philippines. Inadequacies include manpower, training, technical equipment and funds.
2. Professional jealousies among domestic intelligence and security agencies, which inhibits operational cooperation and information exchange. This is not a

problem peculiar to the region.

3. Problems with regard to the sharing of intelligence caused among others by lack of confidence and suspicion regarding the efficiency and integrity of neighboring intelligence services. The US is perhaps the most guilty in its reluctance to share information.
4. Political sensitivities in Indonesia particularly regarding action against suspected terrorist elements, for fear of losing political support from the people. These sensitivities have declined after the Bali bombing, and the Indonesian government and authorities are more determined in their apprehension of suspected terrorist elements, but reluctance to act fully against them remains, as evidenced for instance in the unwillingness of Indonesia to declare the JI as a terrorist organization until October 2002.
5. Poorly developed banking institutions and regulations in some countries, which make it difficult to enforce efficient ways of freezing and seizing terrorist funding.
6. US policies which feed anti-American sentiment and help increase support for international terrorism directed at the US and its allies (the UK, Australia and Israel) are making it difficult for regional governments to neutralize the environment for terrorism. The Palestinian problem and the US-led attacks on Afghanistan and Iraq are major factors contributing to support and sympathy for militancy and terrorism directed at the US and allied interests in the region.

Potential Areas for Japan-ASEAN Cooperation

Japan can enter into discussions with individual ASEAN members as well as ASEAN collectively to identify areas in which she can help in the campaign against international terrorism in the region.

Some of the areas that deserve attention are the following:

1. Capacity-building in intelligence gathering and analysis. This is a primary area where Japanese resources and technical expertise can help enhance capabilities and significantly contribute

to counter-terrorism efforts in the region. Assistance may be particularly useful for Indonesia, the Philippines and to a lesser extent Malaysia.

2. The newly established SEARCCT in Malaysia can benefit substantively from Japanese assistance in three areas: training instructors and speakers; equipment such as masks for use in training; and building up the intelligence database.

The SEARCCT plans to conduct courses, seminars, workshops and conferences on the following subjects:

- Causes and Origins of Terrorism.
- Modus Operandi of Terrorist Groups.
- Combating Terrorism.
- Cyber Terrorism.
- Anti-Money Laundering and Combating Terrorist Financing.
- Training Courses on Identification of Chemical Substances that Could be Used as Explosives.
- Criminalization of Terrorist Acts.
- Harmonization of Regional Anti-Terrorism Laws.
- International Legal Cooperation in Combating Terrorism through Extradition and Mutual Assistance in Criminal Matters.
- Public Awareness Campaign/Education Programme Related to Terrorism and Counter-Terrorism.
- Aviation Security Course.
- Sea-Surveillance Techniques.
- Security Intelligence.
- Border Control/Security, Immigration Matters and Management – Border Integrity.
- Disaster Scene Management.

3. Japan can assist the regional and global community in impressing upon the US the need to address the root causes of international terrorism, namely US policies towards the Middle East, in particular the Palestinian problem and Iraq. The terrorist threat in the region cannot be overcome by merely implementing punitive measures.
4. In the larger scheme of things, Japan can contribute to a terrorism-free environment in Southeast Asia by undertaking various discreet initiatives that help promote good governance and standards of living in the region.

Export Control and Transnational Crime

Ichiro Ogasawara
Director of Arms Control and Disarmament Division
Ministry of Foreign Affairs of Japan

1. Emerging threats: proliferation of WMD and the danger of WMD falling into the hands of terrorists

It is my great pleasure to have the opportunity to talk about one of the most imminent security issues of today, that is, "Export control and transnational crime."

Today, export control is regarded as a key element of our non-proliferation policy. The proliferation of weapons of mass destruction (WMD) is widely recognized as the most serious threat to regional and international security. With the end of the Cold War, the possibility of global nuclear war between superpowers has grown slim. Yet we are not immune to the menace of nuclear, biological or chemical attacks. We are aware of and concerned about the fact that, today, in addition to countries of concern, various non-state actors are trying to develop or acquire such heinous weapons. The terrorist attacks of September 11 brought about a sea change in our "threat awareness." Since then, WMD falling into the hands of terrorists has been the highest on the scale of threat evaluation.

Such a recognition, I believe, is also widely shared by the Association of Southeast Asian Nations (ASEAN) countries. At the 10th Ministerial Meeting of the ASEAN Regional Forum (ARF) in June this year, the participating ministers "recognized the growing danger posed by the proliferation of weapons of mass destruction and their means of delivery, and reaffirmed their commitment to make further joint efforts to tackle the problem." Again, in July this year, the Asia-Europe Meeting (ASEM) foreign ministers emphasized "the importance of continuing efforts on disarmament and prevention of proliferation of nuclear, chemical, and biological weapons; and related materials, equipment, and technologies in accordance with relevant international conventions in the interest of maintaining international peace and security." They also stressed "the importance of preventing terrorists from acquiring or developing

them."

Under the present rubric of "export control and transnational crime," I could touch upon various issues ranging from money laundering to counter-terrorism measures. However, today, I would like to focus on the most acute aspect of the issue, that is, proliferation of WMD with special reference to the danger of WMD falling into the hands of terrorists. Thus, I believe, my presentation can better serve as a bridge between the presentations given by the speakers before and after me.

2. International frameworks to deal with proliferation problems

Now, let us examine what instruments are available for us to deal with such problems. In this regard, our efforts can be divided into two categories, that is to say, international efforts and domestic ones.

(a) International frameworks

Our concerted non-proliferation efforts are undertaken mainly through diverse multilateral international frameworks. These frameworks may also be divided into two groups. To the first group belong universal disarmament treaties, such as the Nuclear Non-Proliferation Treaty (NPT), the Chemical Weapons Convention (CWC) and the Biological Weapons Convention (BWC). These three treaties are themselves great achievements of almost half a century of strenuous diplomatic efforts, and now cover all of the three types of WMD. These three multilateral frameworks are legally binding and open to any countries for membership. Today, they are adhered to by an overwhelming majority of countries. These treaties not only prohibit the use, development, acquisition or stock of WMD, but also proscribe that parties to those treaties shall not transfer goods or technologies that might contribute to the development of WMD to other countries unless certain conditions are met. These universal treaties are indispensable in our

non-proliferation efforts since they lay down the inhibitive norms against WMD by which all responsible nations are expected to abide. To effectively deter the illicit procurement of WMD by terrorists, it is critical to further enhance the functioning of these treaties and to further universalize their membership.

The second group of multilateral frameworks comprises export control regimes. So far, we have established a multilateral export control regime for each category of WMD and its delivery means. Now, we have the Nuclear Suppliers Group (NSG) for nuclear weapons, the Australia Group (AG) for chemical and biological weapons, and the Missile Technology Control Regime (MTCR) for delivery means. These export control regimes provide suppliers of sensitive goods and technologies with cooperative frameworks that enable participating countries to share threat awareness in terms of destination and sensitivities of goods and technologies as well as to share relevant information among themselves. These export control regimes have proven effective in preventing the illicit procurement of sensitive items through concerted action among capable nations. As one of the most competent and responsible exporters, Japan actively participates in all of these regimes. Japan also conducts intense outreach activities towards ASEAN countries to harmonize their efforts with those undertaken under the multilateral regimes mentioned above.

(b) Domestic efforts

These international frameworks regulating the transfer of sensitive goods and technologies cannot make any tangible contribution if the participating states are not equipped with effective domestic export control systems. Stringent export control undertaken by the supplying countries is also essential to fulfill obligations under these international treaties.

Many ASEAN countries are now competitive exporters, even for sensitive items. Consequently, the risk of proliferation through these countries is increasing. The more competitive a country becomes as a provider of goods and technologies, the more stringent an export control legislation is required. Furthermore, WMD procurers are always looking for the weakest link in a chain. If export control is insufficient in one of the countries in a region, countries or groups of concern will probably be tempted to undertake procurement activities in that country, taking advantage of the loophole. As recent procurement activities are becoming more and

more sophisticated by means of such elusive measures as transshipment, transit or paper companies, the risk of the unintentional diversion of sensitive goods and technologies into the hands of terrorists is increasing.

Therefore, the enhancement of the export control system in Asian nations is an urgent task. Japan has actively conducted various regional cooperation activities to raise awareness among ASEAN policy makers and experts in this field. Furthermore, at the end of this month, Japan will hold an Asian Export Control Seminar in Tokyo. For the past 10 years, this seminar has served as a valuable occasion for Asian countries to upgrade their export control skills and knowledge. In this context, we highly appreciate the remarkable strengthening efforts that have been made recently by some of ASEAN countries. We are particularly impressed by the improvements that have been made to the Singaporean system.

(c) New initiatives

Although the export control mechanisms described above continue to play a central role in the current non-proliferation system, they are not panacea to all proliferation concerns. No matter how strictly export control measures may be applied, no system can be perfect in preventing illegal procurement. Porous border control could still allow illicit cross-border transactions. Thus, additional measures have been sought to enhance our ability to thwart proliferation attempts, even in such cases where sensitive items cannot be interrupted effectively and in a timely manner by the export control authorities.

Here, I am referring to the Proliferation Security Initiative (PSI) as a strengthened non-proliferation measure. The PSI is a response to the growing challenge posed by the proliferation of WMD, and their delivery systems to and from states and non-state actors of proliferation concern. US President Bush announced the launch of PSI in Poland in May this year. Eleven countries now associate their efforts with this initiative. So far, in the framework of this initiative, the participating countries have made the following commitments:

- To confirm their political will to promote the PSI;
- To implement, in principle, measures to prevent proliferation within the existing legal frameworks;
- To agree, in principle, to the concept of interdiction training and to conduct the training as soon as possible; and
- To undertake effective measures, either alone or in

concert with other states, for interdicting the transfer or transport of WMD, and their delivery systems to and from states and non-state actors of proliferation concern.

Japan supports the PSI since it is in line with Japan's efforts to promote non-proliferation. Japan participated in the first joint maritime interdiction training Pacific Protector which took place in offshore Australia from 12-14 September. Japan, as the only Asian country among the original members of the PSI, has embarked on approaching like-minded Asian countries for seeking their cooperation to the PSI.

3. Japan's stance and the importance of regional cooperation

Japan has actively committed itself to a non-proliferation policy as one of the pillars of its diplomatic efforts to ensure its peace and security. Today, the issue of proliferation of WMD is particularly relevant to the security conditions in East Asia. As clandestine procurers are always in search of the weakest link in a chain and geographical vicinity is still one of the key factors determining a procurer's activities, concerted and harmonized efforts among neighboring countries are

indispensable to form a impermeable front. In order to eliminate the cloud of uncertainty hanging over our security environment, Japan is driven to vigorously promote multilateral non-proliferation regimes and to actively weave more intense cooperative relations with like-minded Asian nations.

At the same time, as one of the biggest exporters of advanced goods and technologies, Japan is always exposed to the risk of being an unwitting proliferator. Therefore, we are keen to assume a responsibility commensurate with our ability to export. That is why Japan has adopted one of the most stringent export control policies in the world. Also, Southeast Asia is one of the fastest developing regions in the world. It is, therefore, critical not to inadvertently and unknowingly offer attractive opportunities to clandestine procurers.

It is hard to imagine that one day the problem of proliferation may be resolved once for all. New technology might provide terrorists with new methods of destruction, which might, in turn, induce them to seek access to goods and technologies other than those listed. Therefore, we have to make continuous efforts to fill every loophole wherever and whenever it is found, and ensure that our multilateral instruments of non-proliferation effectively deter new challenges.

Proliferation of Weapons of Mass Destruction in East Asia —A Singaporean Perspective of the North Korean Problem

Fook Weng LOO

Assistant Professor, Institute of Defence and Strategic Studies (IDSS)

Ever since a French weather satellite provided the first images of an unusual building in Yongbyon in 1985, the problem of a nuclear-capable North Korea has come to be seen by other states in East Asia and elsewhere as one of the most potentially destabilizing developments in the strategic environment of East Asia. The subject of proliferation of weapons of mass destruction (WMD) in East Asia suddenly became an important topic for discussion amongst academic, strategic and policy circles. It is ironic because WMD proliferation in East Asia was already in place long before the Yongbyon nuclear plant was first detected.

This paper examines this issue of WMD proliferation in East Asia, by looking at the various WMD programmes currently known in North Korea. The paper will argue that there are causes for concern, but that the academic, strategic and policy communities should not overreact; that, in other words, these causes for concern may be manageable.

Assessing the Evidence

The case of North Korea's nuclear ambitions is clear-cut. These concerns began to emerge after the discovery in 1985 of a nuclear reactor in Yongbyon. Some estimates suggest North Korea may already have one to two existing nuclear warheads.¹ Another key concern revolves around 8000 spent fuel rods, and the fact that International Atomic Energy Agency (IAEA) monitoring devices for these fuel rods have been either disabled or removed. What is fairly clear is the capacity of the 5 MW Yongbyon reactor to generate between 5 to 7 kg of plutonium each year, which is sufficient for one bomb.² North Korea is planning to construct another two nuclear plants, a 50 MW reactor at Yongbyon-kun and a 200 MW reactor at T'aech'on-kun, which could become operational in as early as two years. Both reactors, combined, could possibly generate up to 200 kg of plutonium annually, enough for almost 30 nuclear weapons (NW).³ A

further concern is the possibility that the North Koreans have already in place a programme to develop highly enriched uranium (HEU), which is much more difficult to detect. According to US intelligence agencies, North Korea attempted to acquire centrifuge-related equipment for its HEU programme.

The key to the uncertainty about the extent of North Korea's NW programme revolves around the 70-day shutdown of the 5 MW reactor in 1989, which US intelligence agencies believe allowed North Korea to remove spent fuel rods for reprocessing into weapons-grade plutonium.⁴ In addition, in 1990 and 1991, North Korea could have extracted more spent fuel rods during reactor slowdowns in both years. If North Korea extracted the maximum number of spent fuel rods during the 1989 shutdown and the 1990 and 1991 slowdowns, then it can process that into weapons-grade plutonium; however, it is not entirely certain that the North Koreans actually removed the spent fuel rods from the storage tanks that the IAEA had been monitoring until the devices were disabled, and the inspectors expelled. The point, therefore, is that North Korea has an undisputed capacity for acquiring plutonium, but it remains unclear that it has actually processed the spent fuel rods into weapons-grade plutonium. Recent pronouncements by Pyongyang, such as the declaration in July 2003 that they had finished producing enough plutonium to make half a dozen nuclear warheads,⁵ certainly do not help to assuage security concerns revolving around this nuclear proliferation issue. Furthermore, there remains uncertainty over the extent of weaponization of this weapons-grade plutonium, assuming that there is weapons-grade plutonium. Having a nuclear device is not the same as having a nuclear warhead, and there are significant technological steps to be made in transforming a nuclear device into a deployable weapon. It is not entirely clear that North Korea has this capability.

The case of North Korea's alleged chemical weapons

(CW) and biological weapons (BW) programmes is rather more ambiguous. There is evidence that suggests that North Korea has established programmes designed to produce both BW and CW capabilities.⁶ There are allegations that North Korea has been pursuing research into BW pathogens such as anthrax. However, the state is a signatory to the Biological Weapons Convention (BWC). In any case, these limited sources suggest that whatever BW capabilities exist in North Korea, these are likely to be fairly primitive. North Korea's CW programmes are rather better developed. The sources used here suggest that the state has stocks of nerve, blister, choking and blood chemical agents. Unlike the BWC, however, North Korea has not signed the Chemical Weapons Convention (CWC), and so this remains a source of concern.

Assessing the Impact

The case of North Korean intentions to use WMD against states in Northeast Asia or against other US interests worldwide is similarly ambiguous. There has been a cottage industry concerning the apparently irrational or unpredictable tendencies of North Korean leaders, first Kim Il Sung and now Kim Jong Il. If this perspective is correct that North Korean leaders have demonstrated a propensity for unpredictable behavior, then it would seem that a WMD-capable North Korea represents a more urgent threat to regional and international security. This paper suggests that at least in some instances, a more careful reading of North Korean external behavior shows that it is neither unpredictable nor irrational, but rather fits into a broader pattern of instability in international politics. In other words, the North Korean leadership has adopted a very rational and predictable approach that seeks to exploit moments of uncertainty or instability in international politics to advance North Korean interests.⁷ Since then, North Korean behavior continues to fit the pattern of exploiting uncertainty in the wider strategic environment as and when possible. Its recent decision to restart the nuclear reactor at Yongbyon can be seen in this light. It can be seen as partly a reaction to the sanctions imposed by the current US administration, and the exploitation of perceived opportunities created as a result of the crisis over Iraq. A plausible explanation is that it saw the crisis—and the fact that US attention was directed towards Iraq—as an opportunity to 'blackmail' the US and other states into either lifting the sanctions or

extracting fresh concessions and aid programmes.

The case of North Korean linkages to terrorism is rather more clearly established. Bermudez, probably the leading expert on this issue, argues that North Korea's linkages to terrorist organizations around the world are part of its grand strategy of gaining recognition as the sole legitimate Korean government, as and when these terrorist organizations achieve their political aims in their respective countries.⁸ North Korea has provided training facilities for a wide range of terrorist organizations from around the world, and has also maintained a number of training facilities in Africa and South America. What is particularly worrying is that the North Korean policy of identifying and supporting revolutionary or terrorist organizations around the world coincided with the emergence of Kim Jong Il as the *de facto* controller of North Korea's international revolution activities. As the leader of North Korea now, and given his past record, it is not implausible to conclude that North Korea will continue to indulge in the sponsorship of terrorist activities and organizations around the world. The conjunction between a WMD-capable North Korea and its sponsorship of terrorist activities presents terrifying possibilities for not just the US or the UK but just about every state in the world.

Furthermore, North Korea has a history of arms exports to just about any actor—state or non-state—who seeks its armaments. The recent sale of North Korean Scud-derived ballistic missiles to Yemen, intercepted by a Spanish warship and subsequently released to its final destination by the US, is merely the tip of what is likely a very large iceberg of North Korean arms and military technology sales to the outside world. Of course, the sale of ballistic missiles is not on the same level as the sale of WMD technologies, but in the latter, it seems likely that the North Koreans have been equally culpable. There is strong evidence to suggest that North Korea was involved in an exchange with Pakistan, involving the exchange of North Korean missiles for Pakistani-supplied HEU.⁹ Thus far, the North Koreans have largely concentrated on the sale of ballistic missiles. However, given the fact that the North Korean economy is virtually collapsed, and that arms and military technology sales have been its sole source of foreign exchange for some time now, it is not implausible to hypothesize a situation where Pyongyang could be tempted to provide another state or non-state actor with such NW or materials, if the price is right.

Southeast Asian Concerns

The primary concern of Southeast Asia with regards to the WMD proliferation in Northeast Asia has traditionally focused on the impact of a nuclear North Korea. There are concerns that a nuclear North Korea might just prove to be the catalyst to wider nuclear proliferation throughout the region. Implicit in these concerns is that this case might be sufficient for Japan to overcome its long-standing nuclear aversion. Such fears have been shown to be misplaced, of course.

But given the current obsession over the so-called new terrorism, surely a greater concern would now be the CW and BW programmes in North Korea. Consider the evidence—North Korea has a history of selling just about any military technology or weapon to anyone willing to buy them, North Korea has history of relationships with various terrorist organizations. Do the math, and it seems inevitable that North Korea may at some point in time—if it has not already—do business with such terrorist organizations as al Qaeda and Jemaah Islamiyah (JI), at least in CW and BW capabilities. Interestingly, however, North Korea has tended to favor terrorist organizations that seek to overthrow an existing political authority in a state—so-called traditional terrorist organizations. New terrorist organizations like al Qaeda do not fall into this pattern. This is not to say that any relationship or transaction between al Qaeda or similar terrorist groups and North Korea is automatically precluded, but Pyongyang would have to weigh this concern carefully. Its terrorist support policies have been linked to wider political and diplomatic interests—gaining recognition as the sole legitimate political authority in Korea at the expense of Seoul.

It is important not to be too sanguine about such things, but it is also important that a sense of reality should continue to inform our assessments. Yes, the above scenario is correct, but there is no evidence as yet of such linkages between Pyongyang and the JI, at least in information that is openly available. The transshipment of BW or CW remains a fairly complicated process, and movements out of North Korea are likely being monitored closely by the intelligence agencies of Japan and the US. It would be difficult—although not impossible—for North Korea to move any CW or BW capabilities it had to another part of the world undetected. Furthermore, production of CW, and to a lesser extent BW, is a fairly simple process. A simple laboratory, access to the right chemical elements, and rudimentary

knowledge of chemistry, are all that is needed for anyone or any organization to manufacture CW. Of course, CW agents tend to revolve around 4 types—nerve agents, blister agents, choking agents, and blood agents—and the chemical recipes of these agents are known. Sufficient monitoring of the possession, utilization and movement of the base chemicals for these CW agents should suffice in preventing them from falling into terrorist organizations' hands. As for BW agents, these tend to revolve around bacterial or viral infections or the use of toxins. The major problem with BW agents is, however, their storage, which requires strict environmental conditions for the BW agents to remain potent. The same is true of CW, but to a lesser extent. Furthermore, a detailed analysis of previous terrorist employment of either BW or CW attacks shows very limited fatalities, albeit with a disproportionately large psychological impact.

Conclusion

The point this paper makes is that while there are causes for concern from North Korea, it is not yet time to press the panic button. We know there are fissile materials in North Korea, and we know how many nuclear warheads these fissile materials will likely yield. We know the North Koreans have existing CW programmes. We know the North Koreans are willing to sell anything to anyone willing to buy it. We know that Pyongyang has in the past cultivated relations with some terrorist organizations. We know the North Koreans had a BW programme, but have since become signatories to the BWC, for however much that is worth. We know, therefore, that the possibility exists that North Korea might be willing to sell CW or BW agents to terrorist organizations in the region, who can then use these agents to wreak havoc in Southeast Asia. These are disturbing facts and scenarios that trouble all of us in East Asia, and continue to make North Korea a continuing security concern not just for Northeast Asia but Southeast Asia as well.

But there is a lot we do not know about. We do not know if the fissile material has been weaponized. We do not know, in the first place, if the North Koreans have a nuclear device to begin with. And even if they have a nuclear device, we do not know if they have the capacity to weaponize this device. More importantly, we do not know what strategic value a nuclear capability has to Pyongyang. What is the strategic purpose behind nuclear weapons for Pyongyang? This is a question that has never

been satisfactorily answered. Is it offensive or defensive? Are the North Koreans planning to obliterate Seoul? Or Tokyo? Or is it defensive? Are they trying to deter external aggression? From which direction would this external aggression emanate? These are difficult questions that need to be examined and thought through carefully.

We do not know the full extent of Pyongyang's CW programmes. We do not know the stocks of CW agents they might currently possess, or the delivery systems they have. We do not know if they have continued research of BW agents, in contravention then of their membership of the BWC. We do not know what relationship Pyongyang might have with such terrorist organizations as al Qaeda or the JI. We do not know if there are transactions between these parties. Simply put, we do not know if Pyongyang has sold CW or BW agents to terrorist organizations like al Qaeda. What we know is that a postulated link between Pyongyang and al Qaeda or the JI might not fit the historical pattern of Pyongyang's links with other 'traditional' terrorist groups. But, of course, it does not automatically preclude such a linkage being developed or indeed already being in place. What we do know is that it is not easy for transshipments out of North Korea going undetected, and that if such terrorist organizations as the JI wanted to acquire CW agents, it is probably easier for them to acquire the production facilities themselves.

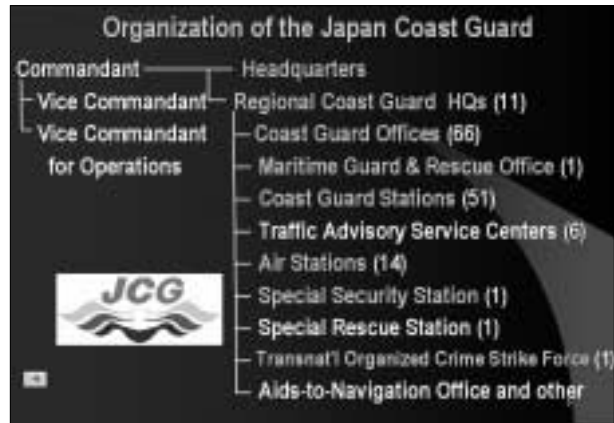
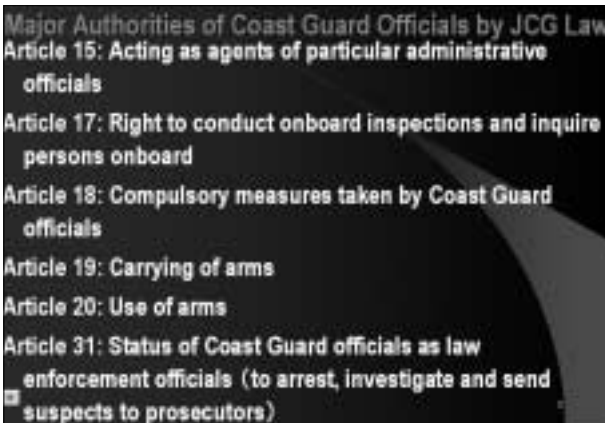
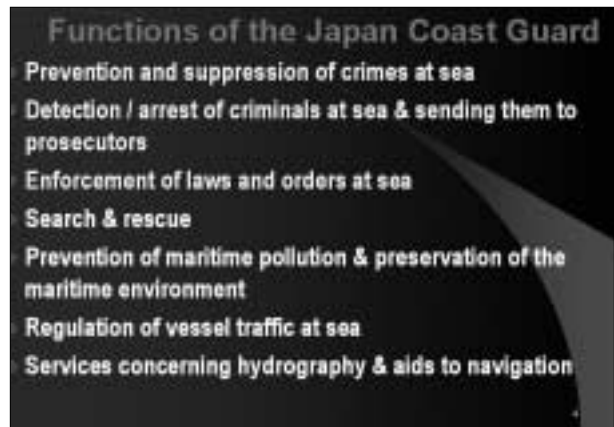
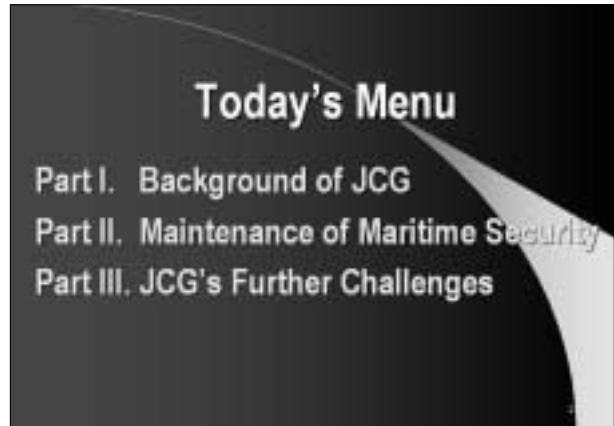
So in the event that there is much that we do not know, it remains important that we do not panic. For sure, a WMD-capable North Korea is not the most pleasant thing to have, but it is not necessarily life-threatening either. What we should maintain is a watchful eye on this difficult and emotive issue.

NOTES

- 1 Nancy Soderburgh, "Escaping North Korea's Nuclear Trap", in *The New York Times*, 12 February 2003 (<http://www.nytimes.com/2003/02/12/opinion/12SODE.html>).
- 2 Daniel A. Pinkston and Stephanie Liegg, "North Korea's Nuclear Program: Key Concerns" (<http://www.cns.miis.edu/research/korea/keycon.htm>).
- 3 Larry A. Niksch, "North Korea's Nuclear Program", *Issue Brief for Congress*, 7 January 2003, CRS-5.
- 4 *Ibid.*, pp.CRS-5-7.
- 5 See David E. Sanger, "North Korea Says It Has Made Fuel For Atom Bombs", in *The New York Times*, 14 July 2003 (<http://www.nytimes.com/2003/07/15/international/asia/15KORE.html>).
- 6 For North Korea's ambitions for BW capabilities, see <http://www.fas.org/nuke/guide/dprk/bw/index.html>; and http://www.nti.org/db/profiles/dprk/bio/ie/NKB_EoGO_bg.html. For North Korea's CW ambitions, see <http://www.fas.org/nuke/guide/dprk/cw/index.html>; and http://www.nti.org/db/profiles/dprk/chem/ie/NKC_EoGO_bg.html.
- 7 The crises on the Korean peninsula between 1968 and 1977, for instance, all took place against the backdrop of apparently declining US interests in the wider East Asian, and more specifically Northeast Asian region, evidenced by the withdrawal of US military forces from the Vietnam War and the downsizing of US forces in Japan and Korea. There was the additional complication for North Korea in the form of a growing South Korean economy that was threatening even then to outstrip the economic capacity of North Korea. In other words, these incidents of North Korean 'irrationality' and 'unpredictability' occurred against a backdrop where the North Korean leadership was facing an increasingly powerful South Korea and an apparently disinterested US. For a brief discussion of these crises, see Cho, Soon Sung Cho, "North and South Korea: Stepped-Up Aggression and the Search for New Security," in *Asian Survey*, January 1969, Vol. 9, No.1, p.30; Joseph S. Bermudez, Jr., *Terrorism: The North Korean Connection* (New York, Bristol, Washington, London: Crane Russak, 1990), p.39; Dan Oberdorfer, *The Two Koreas: A Contemporary History* (Reading, MASS: Addison-Wesley, 1997), pp.56-8; and Sung-Hack Kang, "Strategic Metamorphosis from Sisyphus to Chameleon? North Korean Security Policy and Military Strategy," *The Korean Journal of Defense Analysis* Spring 1995, Vol. 7, No. 1, p.204.
- 8 Bermudez, op. cit., pp.1-3.
- 9 Daniel A. Pinkston, *When Did WMD Deals between Pyongyang and Islamabad Begin?* (Monterey, California: Center for Nonproliferation Studies, 2002).

Maritime Security Measures of the Japan Coast Guard

Satoshi Nakajima
Head of Office, Security Division, Japan Coast Guard



Capacity of the Japan Coast Guard

- Staff ... 12,258
- Patrol vessels ... 124 (including 13 patrol vessels with helicopters onboard)
- Patrol crafts ... 237
- Special guard and rescue crafts ... 87
- Hydrographic survey vessels & other vessels ... 71
- Airplanes ... 29
- Helicopters ... 46




Part II. Maintenance of Maritime Security

- I. Law Enforcement Activities
- II. Countermeasures against Suspicious or Spy Boats
- III. Counter-terrorism

I. Law Enforcement Activities

Crimes Committed at Sea

1. Illicit trafficking in drugs & handguns
2. Illegal immigrants
3. Crimes violating the Penal Code
4. Violations of the Fishery Laws & Regulations
5. Violations of the Law for the Preservation of the Marine Environment
6. Violations of the Maritime Safety Law and other related matters

Examples of Seizures of Stimulants



565kg (Oct '99)



101kg (Jan '99)




249kg (Feb '00)



98kg (Apr '99)

II. Countermeasures against Suspicious Boats

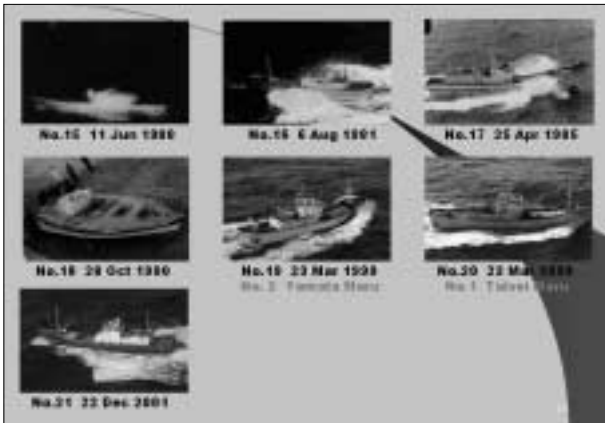
Year	No.	Subtotal	Location
1963	1	1	1
1970	1	2	2
1973	3	5	3,4,5
1972	1	6	6
1975	1	7	7
1977	2	9	8,9
1980	6	15	10,11,12,13,14,15
1981	1	16	16
1985	1	17	17
1990	1	18	18
1999	2	20	19,20
2001	1	21	21



Number of suspicious boats recognized by the JCG



- No.2 14 Apr 1970
- No.3 28 Aug 1971
- No.4 27 Aug 1971
- No.5 3 Oct 1971
- No.7 14 Jun 1975
- No.8 23 Jul 1977
- No.10 11 Mar 1980
- No.12 14 Mar 1980
- No.14 17 May 1999

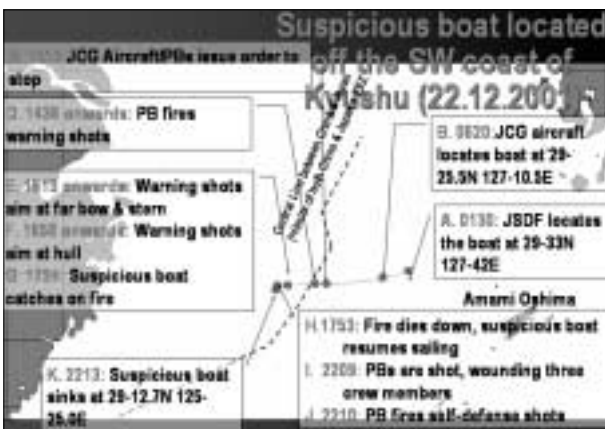


The Review on the Incident Involving the Suspicious Boat on 23 March 1999

Authorized by the Cabinet Meeting

(Basic Policy)

1. Cases involving suspicious boats should be primarily handled by the JCG as the policing authority
2. If a response by the JCG is determined to be impossible or extremely difficult, the Japan Self-Defense Force (JSDF) will respond under the scheme of the Maritime Security Operations.

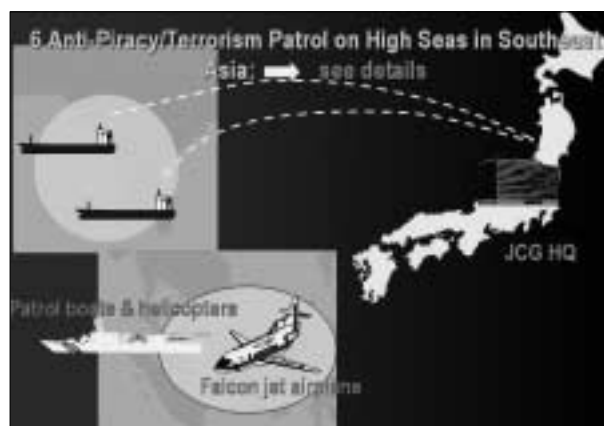
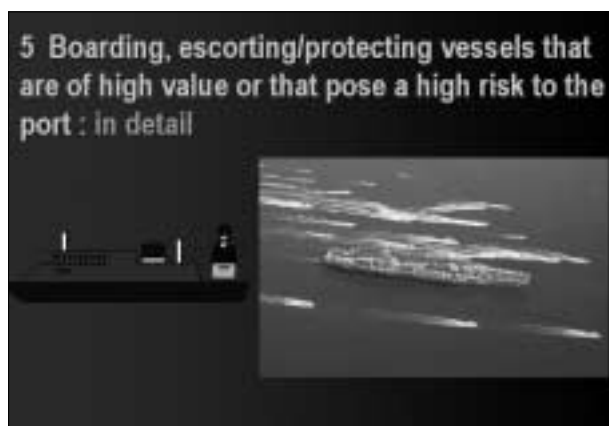




III. Counter-terrorism

- 1 Anti-International Terrorism Command
- 2 Modus operandi predicted at sea
 - i) a suicide bomb attack against other ships by using ships as weapons;
 - ii) a bomb attack against ships and important facilities at sea or near the shore;
 - iii) illegal entrance of terrorists to Japan through sea routes; and
 - iv) other general terrorist attacks against ships and important facilities from the sea
- 3 Information gathering on potential threats

- 4 Protection of critical infrastructure: ➡ see details
- 5 Boarding, escorting/protecting vessels that are of high value or that pose a high risk to the port ➡ see details
- 6 Anti-Piracy/Terrorism Patrol on High Seas in Southeast Asia ➡ see details
- 7 Counter-terrorism exercises





Asia Anti-Piracy Challenges 2000 (AAPC 2000)

adopted at the Tokyo Anti-Piracy Conference of Heads of Coast Guard Agencies in Apr 2000

CAPACITY BUILDING

1. Information exchange in case of piracy incidents occur
2. Mutual cooperation
 - 2.1 Enhancement of law enforcement activities
 - 2.2 Bilateral assistance in investigation
 - 2.3 Promotion of cooperative activities
 - 2.4 Mutual visits of patrol vessels/combined exercises
3. Regular experts meeting
4. Technical cooperation - personnel training

What JCG has done in line with AAPC 2000

Visits of JCG Patrol Vessels & Combined Exercises with :

1. Royal Malaysian Marine Police & the Indian Coast Guard Nov 2000
2. Philippine Coast Guard Oct 2001
3. Royal Thai Marine Police/Thai Marine Dept. Dec 2001
4. Directorate of Guard and Rescue, Indonesia Indonesian Marine and Air Police Mar 2002
5. Marine Police, Royal Brunei Police Force Aug 2002
6. Philippine Coast Guard Mar 2003

CAPACITY BUILDING



What JCG has done in line with AAPC 2000

Regular Experts Meeting:
 Malaysia hosted
 The 1st Experts Meeting: *Kuala Lumpur* Nov '00
 Indonesia hosted
 The 2nd Experts Meeting: *Jakarta* Mar '02
 Philippine hosted
 The 3rd Experts Meeting: *Manila* Mar '03

CAPACITY BUILDING



What JCG has done in line with AAPC 2000

4. Technical Cooperation

i) **Acceptance of Overseas Students**
 To provide advanced knowledge & skills & develop human networks


ii) **Maritime Law Enforcement Course**
 To provide practical knowledge & skills for planning & supervising maritime law enforcement activities

iii) **Coast Guard Human Resource Development Project**
 To assist PCG in the establishment of the education and training system

CAPACITY BUILDING

Part III. JCG's Future Challenges

- 1 Strengthening cooperation with relevant domestic organizations
- 2 Strengthening cooperation with neighboring states
- 3 Finding out needs of local communities
- 4 Implementation of new chapters & codes of SOLAS



Strengthening cooperation with neighboring states

1. Countermeasures against illicit trafficking in drugs/illegal immigrants
 →in cooperation with the Ministry of Public Security of China, 151 kg of stimulants, and 91 illegal immigrants were successfully seized by JCG, and organized criminal groups in China were also arrested
2. Countermeasures against Piracy
3. Countermeasures against terrorism/poaching by foreign people
 →North Pacific Head of Coast Guard Agencies Meeting

CAPACITY BUILDING

North Pacific High-Level Coast Guard Agencies Meeting & Information Exchange Asia Pacific Heads of Drug Control Agencies Meeting Experts Meeting on Anti-Piracy in the Asian Region

Multilateral

China
 RCD between JCG & Ministry of Public Security of China (information exchange, etc.)
 Japan-China Security Agencies Meeting
 Japan-China Maritime Law Enforcement Agencies Meeting

Korea
 RCD between JCG & Korea National Maritime Police Agency (information exchange, etc.)
 Japan-Korea Maritime Law Enforcement Agency Meeting
 Japan-Korea Anti-Drug Meeting

Russia
 MOU between JCG & Federal Border Service of RF (information exchange, etc.)
 Japan-Russian Security Agencies Meeting
 Japan-Russian Maritime Law Enforcement Agencies Meeting

United States
 RCD between JCG & United States Coast Guard (strengthening cooperative relationships in the field of countermeasures against the illicit trafficking of drugs, firearms, etc.)

Cooperation becomes power!

8. Implementation new chapters & ISPS Code of SOLAS

1. JCG, in cooperation with other domestic agencies, is considering the establishment of a legal framework & other matters for the implementation of new chapters & ISPS Code of SOLAS
2. JCG is providing its expertise & sharing its experience in preparing training courses for SSOs & others



Thank you very much for your attention

Peacekeeping Operations and Intra-State Conflicts

Wiryo Sastrohandoyo

Senior Fellow, Centre for Strategic and International Studies (CSIS), Jakarta

One of the facts of life of the post-Cold War period is that there are more intra-state conflicts than inter-state conflicts. A study by Wallensteen and Sollenberg showed that of the 96 violent conflicts that had occurred between 1989 and 1995, all but five of them were intra-state.

A proliferation of intra-state conflicts translates into a greater demand for peacekeeping operations (PKOs) by the United Nations (UN). This is clearly discernible in the pattern of UN expenditures for peacekeeping. In the first 45 years of its existence, the UN spent 23 percent of its annual budget (US\$3.6 billion) for peacekeeping. From 1990 to 2000, however, the allocation for peacekeeping rose to 77 percent of the annual budget or roughly to US\$12.1 billion.

The number of PKOs carried out over the years tells the same story: between 1945 and 1989, there were only 13 PKOs; between 1989 and 1998, there were 36 such operations, a disproportionate increase in just a decade.

The same story is told by the proportion of civilian casualties to casualties who were combatants. Before and during the Cold War, only 10 percent of casualties were civilians. After the Cold War, 90 percent of casualties were civilians.

New threats to security

As a result, the world today is in the grip of a different sense of insecurity. It is no longer so much about external threats of aggression but about internal threats like rebellions, social upheavals and separatism that are the consequence of policies perceived as lopsided and unjust, or of a struggle for the country's resources. At the same time, there are crime syndicates at work within a country that may be receiving help and funds from outside but are so formidable, not so much because of that external help but because of their ability to merge with the peaceful and law-abiding population of the country.

The post-Cold War world inherited a great number

of intra-state conflicts and civil wars that were held once in check and masked by the Cold War rivalry of two superpowers that were themselves held in check by the principle of mutually assured destruction (MAD) in the event of a nuclear war. Intra-state conflicts were swept under the carpet or turned into international conflicts fought by proxy.

Some of these proxy wars became susceptible to peaceful settlement with the end of the Cold War. Thus, the conflict in Angola came to an end with the Angola Accords of 1988 and the two-decade-long conflict in Cambodia was settled by the Paris Agreements of 1991.

These were among the notable exceptions. In general, simmering disputes within Third World countries became more pronounced and erupted into massive armed conflicts. Today, inter-ethnic, inter-religious, inter-communal, horizontal and vertical conflicts abound among countries of the Third World. Although these conflicts have international and regional ramifications and consequences, they are basically domestic and often the result of diversity and inequality among national components.

With the proliferation of such internal conflicts, various forms of transnational crime have also flourished as these are resorted to or encouraged by the belligerents. These include the smuggling of small arms, drugs and people, and money laundering. Often, the belligerents have created links between themselves and transnational criminal syndicates and even international terrorists, with the result that it has become difficult to distinguish between freedom fighters and separatists on the one hand and terrorists with a regional or global agenda on the other.

The UN response: peacekeeping

As the organization established to address the collective security concerns of the international community, the UN must have a response to the insid-

ious threat of intra-state conflicts. By and large, the response has been, over the years, in the form of PKOs. That is why the UN maintains a Department of Peacekeeping Operations (DPKO) to plan, prepare, manage and direct such operations. Peacekeeping missions may be aimed at deploying personnel and troops under UN command to prevent the outbreak of conflict or the spillover of conflicts across borders, to stabilize conflict situations after a ceasefire, to help implement peace agreements, to lead states or territories through a transition to a stable democratic government, or to carry out any combination of these tasks.

The legal basis for PKOs has always been thought to be Chapter VI of the UN Charter, on the Pacific Settlement of Disputes, particularly Article 33, which stipulates that parties to any dispute "shall, first of all, seek a solution by negotiation, enquiry, mediation ... or other peaceful means of their own choice." This is interpreted as implying the need for PKOs to give negotiations a chance to take place.

As a term, "peacekeeping" is not mentioned, let alone described, in the Charter. It has been developed in situations where there are no formal determinants of aggression, or no clear "enemies." Its goal is to promote and win time for peaceful settlement of the conflict and its effectiveness depends on consent and cooperation of the parties involved.

Regarded as the very first PKO of the UN was the UN Truce Supervision Operation (UNTSO) in 1948. Little known outside Indonesia is the fact that in August of the previous year, the UN Security Council formed a consular commission to monitor the implementation of the ceasefire between the Dutch forces and the forces of the fledgling Indonesian Republic. Soon after that, the Security Council sent a Good Offices Committee to mediate the conflict in Indonesia. Composed of Australia (chosen by Indonesia), Belgium (chosen by the Netherlands) and chaired by the US (chosen by both Australia and Belgium), the Committee arrived in Indonesia on 27 October 1947. Although it had neither military nor police component, the Committee successfully promoted negotiations that led to peace and to international recognition of Indonesian independence.

The UNTSO was a small operation to supervise the truce between the warring parties in Palestine. Since then, there have been many more. In 1956, during the Suez Canal crisis, the UN Emergency Force was a much bigger operation designed to maintain a buffer zone between the combatants.

Principles and practice

Traditionally, three principles conceptualized by UN Secretary-General Dag Hammarskjöld have guided UN PKOs: (1) the consent of the parties involved; (2) impartiality, which that the peacekeeping contingent should treat all sides even-handedly and not merely remain neutral to the point of inaction; and (3) the use of force, only as a last resort, in self-defense.

In practice, it is becoming increasingly difficult for peacekeeping forces to operate strictly in accordance with these principles, which have become inadequate in the face of complex realities in the field. These situations include when parties are uncooperative; when there are intractable factions within the parties; or when the roots of the conflict itself are pervasive and deep-seated, such as in the Middle East, the Congo, Somalia, and the former Yugoslavia.

Since the UN has no army, each peacekeeping mission is organized on an ad-hoc basis and configured to fit its specific mandate. When a crisis arises, a party to the conflict or a member of the Security Council or the UN Secretary-General can request that the Security Council hold a meeting in which the formation of a peacekeeping force may be proposed.

The Security Council may then authorize the deployment of such a force and define its mandate. Such a decision can be reached only through an affirmative vote by at least nine of 15 Council members, without any of the permanent members giving a negative vote, which would be an effective veto. The Secretary-General recommends how the mission will operate and the DPKO provides political and executive direction in the field.

A mixed record

During the Cold War, the Security Council was not always effective because of the abuse by the permanent members of their veto power. There were major security issues that were resolved without the involvement of the UN, such as the Berlin Crisis, the Soviet interventions in Hungary and Czechoslovakia, the conflicts in Northern Ireland and in the Falklands, and in the Vietnam War. The UN failed in Somalia because it was not perceived as impartial. In Rwanda, it failed to prevent a massive tragedy of genocide. Moreover, it failed to coax Milosevic to negotiate on Bosnia-Herzegovina.

On the other hand, UN peacekeeping was not without its successes. These include the resolution of the Iran-Iraq war; the peace processes that led to the independence of Namibia, Mozambique and in later times, East Timor; as well as the Cambodia peace process.

In addressing such problems, PKOs have become broader and multi-dimensional, as it often assumes the role of a transitional administrator, attending to various political concerns and exercises, dealing with human rights issues, administering humanitarian assistance and even rehabilitating the natural environment devastated by conflict. These demands on the capacity of peacekeeping forces have made them exceedingly costly.

Because the UN does not have its own troops and much depends on the will of the contributing countries as well as the availability of logistical support, it has sometimes happened that UN troops and other personnel arrive on the scene after a costly delay of several months. The issue of financial support for PKOs remains to this day a source of friction among members of the General Assembly and the Security Council.

In recent times, PKOs have been more and more based not only on Chapter VI of the Charter, the peaceful settlement of disputes, but also on Chapter VII, actions with respect to “threats to peace,” “breaches of the peace” and “acts of aggression,” all of which have not been clearly defined. What has made it difficult to carry out peace enforcement through military action, in spite of the enabling provision of Article 42 of Chapter VII, and regardless of whether the problem be intra-state or inter-state conflict, is the fact that the UN does not have a standing military force to rely on.

The need for rethinking

With more and more intra-state conflicts taking place all over the world, there is a need to be forward-looking. The situation clearly calls for UN capability to quickly muster at any time a military or police force, equipped according to the situation that is to be addressed, to deploy that force to maintain law and order, to protect civil liberties and win the hearts and minds—and the confidence—of the people of the disputing parties, and to reestablish peace. It may mean peace enforcement that requires heavy armaments, or humanitarian intervention in the face of genocide or widespread violation of human rights, which creates another kind of problem.

On this, UN Secretary-General Kofi Annan has said,

“Traditional peacekeeping operations of the kind deployed during the Cold War are unlikely to be repeated. Peacekeeping today requires not only rethinking the means but also the methods of implementing mandates set out by the Security Council.”

The rethinking process has to take into account the now generally accepted concept of human security. It is an idealistic concept, but there is no denying that in the face of increasingly frequent and flagrant violation of human rights in the course of intra-state conflicts, there is need for concrete action. In that same process of rethinking, therefore, a dilemma has to be confronted: is it justified to uphold human security at the expense of the sovereignty of a member of the UN?

On this, Secretary-General Kofi Annan says, *“If humanitarian intervention is indeed an unacceptable assault on sovereignty, how should we respond to a Rwanda, to a Srebrenica, to gross and systematic violations of human rights that offend every precept of our common humanity? ... Armed intervention must always remain the option of last resort, but in the face of mass murder it is an option that cannot be relinquished.”*

The issue of sovereignty

While the Secretary-General has a strong view on this real need to resolve real problems, and many eminent minds agree with him, there are provisions within the UN Charter that do not support that view:

Article 2 (1): *“The UN is based on sovereign equality.”*

Article 2 (4): *“Members shall refrain from the threat or use of force against the territorial integrity or political independence of any state or in any manner inconsistent with the purposes of the UN.”*

Article 2 (7): *“Nothing in this present Charter shall authorize the UN to intervene in matters which are ... within domestic jurisdiction ...”*

Article 51: refers to *“the inherent right of individual or collective self-defense ... until the Security Council has taken measures ...”*

There is also Resolution 2625 of the UN General Assembly (UNGA): *“Principles of Friendly Relations between States,”* which provides that *“No state has any right whatsoever to intervene in any way whatsoever in the affairs of other states ...”*

Moreover, the view from Third World countries is that sovereignty, which they have gained after a long, hard, and often bloody struggle, is the last defense. Without this principle, Third World countries would

easily fall prey to the more powerful nations.

Third World countries like to point out that in reality humanitarian intervention is always applied selectively. When human rights violations occur in a powerful country, intervention is not possible. But when these occur in a country that is not so powerful, humanitarian intervention is often carried out swiftly.

It is true that the West, generally speaking, has become the bastion of democracy and human rights, but only after centuries of both positive and negative developments, including numerous wars that brought about enormous human suffering (such as the Napoleonic wars, World War I, World War II, and the Cold War). The West also had to go through, or live with, all kinds of disastrous systems (for example, colonialism, fascism, Nazism, and communism).

In the present globalizing world, which has been reduced to a global village and then to a global neighborhood, countries normally scrutinize each other's society. However, it is mostly the developed countries of the West that scrutinize the countries of the Third World as intra-state conflicts mostly occur in the Third World. Thus, the objects of scrutiny and humanitarian intervention are, most of the time, countries of the Third World.

Besides, governments of the Third World are mostly too busy with their own problems to scrutinize the developed countries.

What is bound to happen is that there is a lot of perception of lecturing and hectoring by the developed world on democracy, human rights, rule of law and similar issues, which create resentment in the Third World countries. This increases the divide between the West and the rest and results in a new global polarization.

Indispensability of the UN

Whatever may be the failings and deficiencies of the UN, it is still the best instrument that the international community has crafted for its own collective security. As the only forum in which each nation in the world, no matter how small and insignificant, has a voice, the UN is indispensable. Even the US, the only superpower in the world today, must return to the UN to seek "burden sharing" in its troubled adventure in Iraq. A recent survey of American public opinion shows that 63 percent of respondents favor the UN to take a leading role in maintaining international peace and security. We all need to work within the UN system.

As for the UN's role in peacekeeping, there are two

prevailing views today:

- a) The UN has failed, as evidenced by the debacles in the former Yugoslavia, Rwanda and Somalia. The three guiding principles were either proven inadequate or violated. There is also "donor fatigue" and reluctance of member countries to share the burden of the cost of PKOs.
- b) The UN has been able to do its job of peacemaking, peacekeeping and peace-building. Not perfectly, but successfully enough under the most difficult circumstances and in the face of the increasing number of conflicts around the world. After all, it was for its PKOs that the UN received the Nobel Prize for Peace in 1988. The Secretary-General's report, *An Agenda for Peace*, shows that most members continue to pin their hopes for world peace on the UN.

One of the most urgent needs of our time is for the establishment of a standing permanent UN Peacekeeping and Humanitarian Assistance Force, which is well trained, equipped with adequate logistics and ready to be deployed under UN command to meet security threats, including and especially intra-state conflicts in addition to other kinds of disasters.

In establishing such a force, a good starting point is to consider the insights and recommendations contained in the report of the Brahimi Panel on UN peacekeeping operations. The report covers a wide range of subjects, including (1) the need for change, (2) doctrine, strategy and decision-making for peace operations, (3) UN capacity to deploy operations rapidly and effectively, (4) HQ resources and structure for planning and supporting peace operations, (5) peace operations and the information age, and (6) changes to implementation.

The role of regional organizations

A new trend has developed in PKOs: cooperation with regional organizations. The guiding principles are contained in Chapter VIII, which provides that:

1. The Charter does not prohibit regional arrangements as long as these are consistent with the principles and purposes of the UN;
2. Regional efforts should first be attempted before taking the problem to the UN Security Council; and
3. The UN Security Council, whenever necessary, can apply enforcement under regional arrangements.

For example, in Africa, the UN worked with the Economic Community of West African States (ECOWAS) in Liberia between 1993 and 1997. After the

successful efforts of the ECOWAS to bring about a peace agreement between the disputing parties, the ECOWAS Monitoring Group (ECOMOG), a military observer group under ECOWAS, was formed. The UN Observer Mission in Liberia (UNOMIL) was then established in 1993 to observe the implementation of the agreement.

In the Balkans, the UN Mission to Bosnia-Herzegovina worked together with the High Representative of the European Union (EU), the North Atlantic Treaty Organization (NATO) and the Commission on Security and Cooperation in Europe (CSCE).

In Georgia, the UN Observer Mission in Georgia (UNOMIG) worked together with the CSCE and the peacekeeping force of the Commonwealth of Independent States (CIS).

A UN-ASEAN partnership

The Association of Southeast Asian Nations (ASEAN) already has a number of documents containing principles on maintaining regional peace and security such as the Treaty of Amity and Cooperation (TAC) in Southeast Asia, and on cooperation with the UN in the Singapore Declaration of 1992, the Bangkok Declaration of 1995, ASEAN Vision 2020 and the Hanoi Plan of Action.

It would seem only natural that ASEAN starts establishing cooperation with the UN on matters of security. In 1999, at the 54th UNGA, on the item of peacekeeping and after the disastrous East Timor implosion, ASEAN made a joint statement reaffirming its commitment to the principles of the Non-Aligned Movement (NAM) and its wish to cooperate with the UN. Within the framework of the ASEAN Regional Forum (ARF), there have been seminars and workshops on the possibility of setting up a peacekeeping center.

Within the UN system of peacekeeping, ASEAN is now in the category that contributes the least to the peacekeeping activities of the UN, in comparison with other regions. This, in spite of the fact that one ASEAN member, Indonesia, has contributed to about 20 peacekeeping forces. To improve ASEAN's standing and participation in peacekeeping, there are several ideas that can be pursued:

1. To start a consultative forum among ASEAN countries' foreign and defense officials/military authorities on peacekeeping activities.
2. To establish and operate together a peacekeeping

training center and conduct joint exercises on peacekeeping. At this time, only Malaysia has a peacekeeping training center.

3. To persuade the developed country members of the ARF and ASEAN dialogue partner countries to provide assistance and cooperation that will make possible greater ASEAN participation in UN peacekeeping.

A choice has to be made

If there has been no effort to translate the notion of a partnership between the UN and ASEAN in achieving and sustaining regional security, this can only be because of the tenacious adherence of the ASEAN members to the principle of state sovereignty. In its 1967 founding document, the Bangkok Declaration, ASEAN expressed determination "to ensure their stability and security from external interference in any form or manifestation."

The fact is that even the effort of ASEAN to become a security community may be stymied by this strict adherence to the principle of state sovereignty. An essential element of the ASEAN Security Community (ASC) is the activation of the High Council envisioned in the TAC in Southeast Asia. This Council cannot possibly assume its function of settling internal disputes among ASEAN countries unless the members involved in the dispute yield to its authority. However, they cannot yield to the authority of the High Council without diminishing their own sovereignty, so they will have to face that dilemma.

Formulated in 16th century Europe at a time when nation-states were still being formed in that continent, the principle of sovereignty was defined as "a state's absolute authority over its citizens and subjects and territory." It is this absoluteness that makes sovereignty such a difficult issue to deal with. On the other hand, if it is not absolute, sovereignty may be thought to have lost much of its value.

Under the present international circumstances, in which there are so many intra-state conflicts, there seems to be a need to strike a balance between maintaining sovereignty and accepting cooperation on the basis of humanitarian concern and protecting human rights. Moreover, in a world where states violate the rights of their own citizens, practice murder and genocide, and also fail to attend to human hunger, health and other human needs, it has become difficult to defend the absoluteness of state sovereignty. Various sets of criteria

have been proposed and are being discussed within the UN on when humanitarian intervention may be imposed upon a state unwilling to accept it.

It may take a very long time, but eventually the international community will have to choose between a world in which the authority of states is absolute, or one

in which the gap between individual human rights and the rights of states can be bridged because neither is regarded as absolute.

It will take a long time, but a choice will have to be made.

The Roles of Regional Security Institutions: Beyond “Talk Shops”?

Tsutomu Kikuchi

Professor, Aoyama Gakuin University

Adjunct Research Fellow, Japan Institute of International Affairs (JIIA)

1. Introduction

The purpose of this paper is to analyze the roles of the multilateral security institutions in the Asia-Pacific, especially those of the Association of Southeast Asian Nations (ASEAN) Regional Forum (ARF). There are many critical views on the regional institutions, especially the ARF and Asia-Pacific Economic Cooperation (APEC). The ARF, together with ASEAN and APEC, has also been criticized for its “talk shop” quality. Some critics observe that the ARF’s use of concepts like “gradualism” and “evolutionally” may be convenient euphemisms for inaction. They argue that consensus-decision has obstructed the regional institutions from developing a tightly-regulated mechanism for security cooperation.

Given these criticisms, it is important for us to have a clear recognition of what the ARF can do and what the ARF cannot do. Demanding too much from the ARF is premature and inappropriate.

The roles of regional multilateral security institutions such as the ARF have to be analyzed taking the changes of the geopolitical and economic environments into account. What changes?

First, the political, economic and security gravity is shifting towards North of the Asia-Pacific. Northeast Asia is now becoming a region where the new economic, political and security dynamisms are emerging. These dynamisms will largely affect the future regional order of the entire Asia-Pacific.

Second, among the newly emerging dynamisms, the defining one is that among the major powers. The major powers are now searching for an appropriate regional order bilaterally and/or multilaterally. The future shape of the regional order will be more and more defined by the relationships among the major powers. In this regard, it is to be noted that China and Russia have gradually accepted the reality that the United States (US) is the sole superpower in the world.

Although they have been searching for a multi-polar world since the end of the Cold War, they are now coming to terms with a unipolar world underlined by the US power. This creates the possibility of establishing a new form of “Concert of Powers” in the Asia-Pacific, even if tentatively.

Third, a war against terrorism creates new coalitions of the willing, not directly related to the regional institutions. Coalitions of the willing are becoming a distinct trend of security management. The Proliferation Security Initiative (PSI) is one example.

Fourth, we are witnessing a new development in Southeast Asia. ASEAN countries that have faced various difficulties in enhancing cooperation and unity among the member countries, finally started to reactivate the regional institution. New ASEAN initiatives such as an ASEAN Economic Community (AEC) and ASEAN Security Community (ASC) demonstrate the possibility of introducing a new vigor for regional cooperation in Southeast Asia.

2. Security Issues in the Asia-Pacific

There are a lot of security issues in the region. Some of them cannot be handled by the ARF, leaving them to other mechanisms and instruments. There are three “big” security issues that may ignite military confrontation in the region: the Korean Peninsula, the cross-strait relations and the South China Sea disputes. Military measures such as deterrence are still quite important in dealing with these issues.

There are additional important security issues: military modernization (offensive military strategy/doctrine), the spread of the weapons of mass destruction (WMD), transnational issues such as piracy, drug-trafficking, illegal transfer of weapons and so forth. These are mostly inter-state security issues.

We have additional security issues if we pay attention to domestic areas. Intra-state conflicts (ethnic and

religious conflicts and independence movements) are becoming tense. These conflicts have increasing regional security implications.

Furthermore, if we define security in a comprehensive way, economic difficulties, huge income gaps among the people and degradation of socio-economic conditions in certain countries are also becoming security issues. The concept of "human security" emphasizes these aspects. In fact, one of the most serious security issues lies in both domestic politics (domestic political instability) and effects of the rapidly changing global political economy on domestic socio-economic conditions. Economic globalization has posed serious challenges to these countries. The countries in the region have to carry out the difficult task of strengthening state structures, while simultaneously making them compatible with the rest of the world in rapidly changing national, regional and international environments. This puts the countries of the region in a serious policy dilemma.

3. Security Mechanisms/Instruments in the Asia-Pacific

Reflecting various security relations, there are different modes of security management in the Asia-Pacific. The region has a competitive security system, a common security system and some cooperative security systems. Put differently, there exist "balance of powers," "concert of powers" and "security via multilateralism" in Asia. The logic of balance of powers is distinct among the major powers. But the logic of balance of powers also exists among the smaller countries. Military modernization among the ASEAN countries follows this pattern, although in a lesser degree, compared with it among the major powers.

It is still uncertain which mode of security management will become dominant in the region. It will be most probable that various security modes co-exist together in the foreseeable future.

As I mentioned above, we are witnessing various types of security cooperation in the Asia-Pacific today. Responding to security issues facing the region, there have emerged different modes of security management. The roles of regional institutions such as the ARF have to be reviewed in the context of multiple mechanisms of security management now existing in the region.

(1) Security Cooperation under Competitive Security Relations (Collective Defense)

In spite of the end of the Cold War, there are tense relations among countries, especially among the major powers and a competitive security mode (such as balance of powers, deterrence, etc.) prevails among them. Reflecting the competitive security system, we have collective defense arrangements.

After the end of the Cold War, collective security arrangements centered on the US were "redefined," making the alliances respond to strategic uncertainties, not against any specific countries. In addition, after the September 11 tragedy, the alliances have been further enhanced. Japan, for the first time, sent the Self-Defense Forces to the Indian Ocean to support the US mission to fight terrorism. Furthermore, bilateral alliances have been connected to each other recently. Japan, the US and Australia started a trilateral security consultation at a vice-minister level. Trilateral security cooperation between Japan, the US and South Korea has also been developing.

The alliance networks centered on Washington still serve as a basic security linchpin in dealing with "big issues" such as the Korean Peninsula and the cross-strait relations. The alliance networks also provide the entire region with a stable security environment (alliance as "regional public goods").

These "big" issues will continue to be handled by the logic of power politics (power balancing and "concert of powers") among the major powers. As such, the role of the ARF has continued to be limited.

(2) Cooperative Security: Asia-Pacific Cooperation under the Global Institutions

The global collective security system underlined by the United Nations (UN) covers the entire Asia-Pacific. Although most Asia-Pacific nations have not been active participants in sustaining the UN collective security system, these attitudes have been changing for the last decade. This took place not in the field of collective security efforts such as providing military forces as a part of UN sanctioned military activities against aggressors, but in the field of peacekeeping operations (PKOs). The Cambodia peace settlement was a first example. East Timor is another example. The recognition of further enhancing cooperation under the UN PKO system is commonly shared among the countries in the region. In fact, the ARF took PKOs as one of the important areas of cooperation among the members.

The UN Convention on the Law of the Sea (UNCLOS) has served as a focal point to moderate the tension over the South China Sea territorial disputes. This issue has been mainly dealt with by ASEAN and China on a bilateral basis. Discussions of establishing “Codes of Conduct” have been underway. Global institutions such as UNCLOS have provided a basic framework to dealing with the issue. However, China’s opposition to “internationalize” the dispute have prevented regional institutions (except ASEAN) from being involved in the issue.

Asian countries have been committing themselves to various global regulatory institutions such as the Nuclear Non-Proliferation Treaty (NPT)/International Atomic Energy Agency (IAEA), a maritime safety regime and so forth. The ARF has played a stimulating role for the member countries to comply with the global rules.

(3) Coalitions of the Willing: Cooperation among the “like-minded”

The September 11 tragedy has been encouraging security cooperation among like-minded countries on both a bilateral and multilateral basis. New forms of cooperative arrangements are now emerging. The PSI has been gaining momentum to consolidate security cooperation among 11 like-minded countries. The 11 nations have strongly committed to prevent the proliferation of WMD and other illegal activities across the world. Joint exercises among the member countries have already started. This security framework will have a huge impact on both security and economic relations among Asian countries.

The US enhanced its joint exercises with some Southeast Asian countries such as Thailand, Singapore and the Philippines. No regional institutions have been involved in these exercises. In the bilateral context, the US has been strengthening security cooperation with some ASEAN countries. Intelligence and other security related cooperation have been strengthened. Although the ARF, APEC and ASEAN+3 have announced their collective intention to enhance cooperation to fight against terrorism, practical cooperative activities have been mostly taken on a bilateral or minilateral basis.

(4) New developments among the major powers

A new multilateral security framework may emerge in Northeast Asia, based upon the on-going processes of the Six Party Talks. The Six Party Talks over North

Korea’s nuclear development have just started. In order to realize a nuclear-free Korean Peninsula, there are many difficult questions such as “security assurance” by the US, an economic rehabilitation program for North Korea, the transformation of an armistice regime to peaceful one and so forth. However, as a result of solving North Korean nuclear problems, some form of regional security architecture underlined by a “Concert of Powers” may be emerging. In fact, Japan, the US, China and Russia, together with South Korea, strongly commit to the basic principle that the Korean Peninsula must be nuclear free. If some concert emerges, it will also have an enormous impact on the entire region including Southeast Asia.

4. The Record of the ARF: What Has the ARF Done?

I have mentioned various security cooperation activities that have been taking place in the region. What have the regional institutions (especially the ARF) done so far?

(1) Institutionalized Dialogue Channel and Socialization (Mutual Learning)

The ARF is the first multilateral security dialogue mechanism that spans the whole of the Asia-Pacific region. The ARF has provided member countries with a venue to exchange views and concerns relating to security interests through the ASEAN process of consultation and consensus. The ARF also provides a venue for the member countries to explain the developments that have grave regional security implications. Explanations of “redefining” the US-Japan alliance at the ARF meeting are a good example.

The ARF has played an important role in providing socializing mechanisms. Regional institutions such as the ARF could encourage states and societies to imagine themselves as part of a region. The ARF has served as a “generative” institution that highlighted new ways of thinking about the problems facing the region.

(2) Transparency

One of the first priorities of the ARF was to increase transparency: security concerns, defense strategy and so forth. This goal has been to some extent accomplished through presenting the so-called “defense policy statements.” At the same time, it should be noted that standards of releasing defense-related information are quite

lax; not enough for the regional countries to understand the “real” picture of the respective military forces and defense strategies.

(3) Basic Principles Regulating Interactions among the Member Countries

There have been a lot of discussions of the principles and rules regulating interchanges among the member countries at the ARF. The Concept Paper prepared by the ASEAN countries provided the basic ideas. Because of this, the principles and norms of the ARF were employed from those of ASEAN. This made a smooth start to dialogue at the beginning, but it faced a lot of difficulties later. Disputes over the principles of preventive diplomacy demonstrated this difficulty.

(4) Functional Cooperation

Like other Asia-Pacific regional institutions such as APEC, the ARF has taken a step-by-step approach, taking specific issue areas where the member countries come to some agreement, rather than talking about the future blueprint of regional security order. Most of the ARF’s activities focused on several functional areas where the member countries had common interests. The ARF Working Groups are the main instruments to promote these functional cooperation activities. The ARF working groups on maritime search and rescue, and PKOs have produced tangible results.

(5) Commitments to the Global Rules and Norms

Asia-Pacific trans-regional institutions such as APEC and the ARF were devised from the beginning to reconcile with global institutions such as the UN, World Trade Organization (WTO), International Monetary Fund (IMF) and NPT/IAEA. The ARF also has made strenuous efforts to link itself with the existing global institutions such as the UN, NPT, Comprehensive Nuclear-Test-Ban Treaty (CTBT), Missile Technology Control Regime (MTCR) and UNCLOS, to mention only a few. In turn, these global institutions have provided the ARF with various norms and rules to strengthen regional politico-security cooperation.

Global institutions could provide “focal points” as the basis for consensus building among the countries of the region. The UN Arms Registry is one of the examples. The ARF has been constantly trying for its member countries to respect for the UN Arms Registry. However, the ARF tried to develop a regional arms registry, but failed to obtain the consent of the members. As for the

UN, the ARF promoted cooperation in the field of the UN PKOs, maritime safety operations to fight piracy and drug-trafficking and other transnational crime.

As for arms control, the ARF has never tried to tackle regional arms modernization. But, the ARF tackled non-proliferation as part of global non-proliferation processes underlined by the NPT/IAEA. The member countries have been strongly urged to comply with global non-proliferation regimes such as the NPT/IAEA.

(6) Institutional Linkages

Many criticisms have been directed to this “weakness” of the regional institutions in Asia. However, institutions do not function alone. They interact with each other. In fact, the Asia-Pacific has tried to enhance a regional governance mechanism through connecting various bilateral, regional and global institutions, even if the overall structure is still weak.

A series of informal South China Sea workshops were linked to the ASEAN and ASEAN-China processes. The principles developed and agreed at the workshop were supported by ASEAN Ministerial meetings, thereby constraining countries from breaching regionally-endorsed norms, rules and codes of conduct, although this may not be strong enough to fully prevent conflicts from taking place. The basic principles, rules of conduct and activities of the Korean Peninsula Energy Development Organization (KEDO) have received strong support from such other regional institutions as ASEAN, the ARF, the G8 and so forth.

In this way, the regional institutions, by strengthening their linkages with other institutions, have solidified and expanded their rules and norms, and through collaboration among various institutions, they have promoted compliance with agreements and rules, thereby providing certain constraints on the conduct of the countries involved.

The power of the regional institutions of the Asia-Pacific lies in this sort of linkage, which we may call “institutional networking.”

In terms of institutional linkages, it is interesting to note that conflict-ridden state-to-state relations are relatively stable, when the relationships are enmeshed within the dense institutional networks. For example, tensions over various territorial disputes such as the Japan-China dispute over a small island has been effectively been diffused within a larger context of dense networks of bilateral, regional and global institutions.

On the other hand, some tensions are not necessarily diffused because of the lack of institutional linkages. Synergistic effects originating from the dense linkages of various institutions are not created in these cases. The Korean issue is one of them. The problems in the Korean peninsula are not necessarily due to the lack of institutions regulating inter-state relations, but in the lack of linkages among various institutions. North-South relationships are not fully linked with other institutions such as the US-Democratic People's Republic of Korea (DPRK), Japan-DPRK, China-DPRK, Russia-DPRK, the six-party talks and so forth.

5. ARF: From Dialogue to Problem-Solving?

The ARF's activities have been mainly focused on the creation of principles for security cooperation in the Asia-Pacific. The ARF has never dealt with particular security issues. The only exception is in the field of maritime safety. The ARF has been taking various concrete measures to enhance maritime safety in the region. Can the ARF focus on particular themes and issues?

There have been various proposals presented to reactivate the ARF, such as the establishment of the ARF Secretariat, enhancing the role of the ARF's Chair, holding the meeting of senior defense officials concurrently with the meeting of foreign ministers, and so forth. Probably the introduction of these new measures into the ARF processes will, to some extent, contribute to activating the ARF processes. However, they will not solve the fundamental problems facing the ARF.

(1) ARF's Membership

The ARF is a forum reflecting a cooperative security concept, the essence of which is "inclusiveness" in its membership. In fact, the ARF has expanded its membership and now has all Asia-Pacific countries as its members. In a sense, the ARF is a mini-UN in the Asia-Pacific that includes all major powers (UN Permanent 5 plus Japan). This serves as a quite useful venue for dialogue and consultation and confidence-building. However, when the ARF tries to tackle particular security issues, the composition of the forum becomes a stumbling block. As far as the ARF maintains the principle of consensus decisions, it is impossible for the ARF to deal with politically sensitive issues for the members. The ARF can tackle only the issues where a consensus emerges among the members. So far, the members have

agreed to pick up certain issues that the existing global institutions have provided as "focal points."

(2) ASEAN's Centrality

ASEAN's centrality is quite paradoxical. On the one hand, ASEAN's centrality made it possible for the regional countries to agree to establish the Asia-Pacific region-wide security dialogue forum. On the other hand, because of ASEAN's centrality, ASEAN's norms and rules regulating inter-state relations were introduced into the ARF processes.

Today, most security issues touch upon internal affairs. But ASEAN's norms of managing inter-state relations have prevented the ARF from directly dealing with security issues with domestic implications. In addition, rather than directly dealing with particular security issues, ASEAN has focused upon developing norms, principles and rules regulating inter-state relations among the members. ASEAN has had few experiences in directly dealing with "hot" security issues. In fact, there has been little opportunity for ASEAN to present concrete proposals to deal with particular security themes and issues at the ARF. ASEAN's practices and power depend upon the belief that collectively developed rules and norms would put diplomatic constraints on the behaviors of the others. This has been useful in some areas but has not worked in politically sensitive areas.

Of course, this does not mean that the ARF becomes more effective if ASEAN steps down from the "driver's seat" of the ARF. The composition of membership and the difference of security interests among the members have prevented the ARF from touching upon politically sensitive issues.

(3) Rehabilitating the ARF

Given the current modalities of the ARF, it will still be difficult for the ARF to directly deal with particular security issues in the coming years. However, there are several ways for the ARF to reactivate its activities.

First, we wait for the changes of intra-ASEAN relations. ASEAN has a huge responsibility for how the ARF evolves in the coming years, given its claim that ASEAN sits in the driver's seat. Most of the security issues in the region have grave domestic implications. Discussions will be touching upon domestic affairs/politics. If ASEAN countries succeed in developing norms, principles and rules to engage in the internal affairs of other members, the modalities of the ARF will be modified accordingly and the ARF will be able to touch upon

more sensitive security issues with internal implications such as arms modernization. In this regard, it is quite interesting how the currently discussed new concept of the ASC will develop in the coming years.

Second, one of the reasons for the slow pacing of ARF processes (and Asia-Pacific regional cooperation in general) is found in domestic politics, namely the insecurity of domestic political regimes in terms of the legitimacy of political leadership. Many Asian countries are facing the challenge of a great transformation of political regimes, from authoritarian to democratic ones.

The extent to which regional cooperation can develop is likely to depend very heavily on the coherence and viability of the states and state structures within a given region. The absence of viable states (both in terms of effective state apparatus and mutually accepted territorial boundaries) makes the process of region building difficult, if not impossible. States remain the essential building blocks on which regional cooperative exercises are built.

Furthermore, achieving common rules of conduct and entering into reciprocal commitments and obligations need some degree of "like-mindedness" on the part of the participating states concerned. Homogeneity of social organizations and values, and convergence of political interests all make it easier to accept necessary levels of intrusive management, in terms of both standard setting and regulation, as well as effective implementation.

Again, in this regard, ASEAN's introduction of the principle of democratic governance into the "ASEAN Concord II" (to be reportedly adopted at the ASEAN Summit, Bali, shortly) demonstrates a remarkable development.

Third, in the meantime, the ARF should think about the introduction of the principle of "coalitions of the willing." Asia-Pacific cooperation has to move towards establishing regional arrangements that entail the imposition of common rules of conduct and a set of legally binding reciprocal commitments and obligations. Achieving common rules of conduct and entering into reciprocal commitments and obligations need some degree of "like-mindedness" among the participating governments.

Fourth, the ARF should further enhance functional cooperation. In the foreseeable future, it may be difficult for the ARF to evolve into a tightly organized regulatory institution that creates mutually binding rules and behavioral prescriptions. However, it could serve as a "programmatic" forum leading to some joint or collaborative projects among the Asia-Pacific countries. There are many functional areas such as law enforcement, border control, maritime safety and so forth where the ARF could enhance its collective activities.

6. Tentative Conclusion

Existing alliances and the newly formed coalitions of the willing will continue to play important roles for security management in the region. At the same time, we need security institutions where all the countries in the region participate on an equal footing. This is vital for us to enhance mutual confidence-building, especially given the rapidly changing political, economic and security outlooks. The role of the ARF as a regional security institution is quite important in this regard.

However, this does not mean that the ARF will be able to act as one of the key regional institutions in the coming years without "reforms." The basic foundations of the ARF are constantly being eroded. New developments in the Asia-Pacific region will continue to cast serious doubts on the viability of the ARF. If the ARF continues to maintain the existing modalities, the ARF will be further marginalized.

Of particular importance, as I mentioned above, the major powers' relations have been constantly changing. A new security mechanism in Northeast Asia that includes all major powers may emerge after the settlement of the North Korean nuclear issue. If this happens, security gravity of the Asia-Pacific region will further shift towards Northeast Asia. Southeast Asia will form just a part of the expanded Northeast Asia's security system. In addition, fighting against terrorism has been creating various security arrangements based upon the principle of the coalitions of the willing. Now is the time for Japan and the ASEAN countries to enhance cooperation to reactivate the ARF processes.

DECLARATION OF ASEAN CONCORD II (BALI CONCORD II), 7–8 October 2003

The Sultan of Brunei Darussalam, the Prime Minister of the Kingdom of Cambodia, the President of the Republic of Indonesia, the Prime Minister of the Lao People's Democratic Republic, the Prime Minister of Malaysia, the Prime Minister of the Union of Myanmar, the President of the Republic of the Philippines, the Prime Minister of the Republic of Singapore, the Prime Minister of the Kingdom of Thailand and the Prime Minister of the Socialist Republic of Viet Nam;

RECALLING the Declaration of ASEAN Concord adopted in this historic place of Bali, Indonesia in 1976, the Leaders of the Association of Southeast Asian Nations (ASEAN) expressed satisfaction with the overall progress made in the region;

NOTING in particular the expansion of ASEAN to ten countries in Southeast Asia, the deepening of regional economic integration and the impending accession to the Treaty of Amity and Cooperation (TAC) by States outside Southeast Asia;

CONSCIOUS of the need to further consolidate and enhance the achievements of ASEAN as a dynamic, resilient, and cohesive regional association for the well being of its member states and people as well as the need to further strengthen the Association's guidelines in achieving a more coherent and clearer path for cooperation between and among them;

REAFFIRMING their commitment to the principles enshrined in the ASEAN Declaration (Bangkok, 1967), the Declaration on Zone of Peace, Freedom, and Neutrality (Kuala Lumpur, 1971), the Treaty of Amity and Cooperation in Southeast Asia (Bali, 1976), the Declaration of ASEAN Concord (Bali, 1976), and the Treaty on the Southeast Asia Nuclear Weapons Free Zone (Bangkok, 1995);

COGNIZANT that the future of ASEAN cooperation is guided by the ASEAN Vision 2020, the Hanoi Plan of Action (1999-2004), and its succeeding Plans of Action, the Initiative for ASEAN Integration (IAI), and the Roadmap for the Integration of ASEAN (RIA);

CONFIRMING further that ASEAN Member Countries share primary responsibility for strengthening the economic and social stability in the region and ensuring their peaceful and progressive national development, and that they are determined to ensure their stability and security from external interference in any form or manner in order to preserve their national interest in accordance with the ideals and aspirations of their peoples;

REAFFIRMING the fundamental importance of adhering to the principle of non-interference and consensus in ASEAN cooperation;

REITERATING that the Treaty of Amity and Cooperation in Southeast Asia (TAC) is an effective code of conduct for relations among governments and peoples;

RECOGNIZING that sustainable economic development requires a secure political environment based on a strong foundation of mutual interests generated by economic cooperation and political solidarity;

COGNIZANT of the interdependence of the ASEAN economies and the need for ASEAN member countries to adopt “Prosper Thy Neighbour” policies in order to ensure the long-term vibrancy and prosperity of the ASEAN region;

REITERATING the importance of rules-based multilateral trading system that is equitable and that contributes towards the pursuit of development;

REAFFIRMING that ASEAN is a concert of Southeast Asian nations, bonded together in partnership in dynamic development and in a community of caring societies, committed to upholding cultural diversity and social harmony;

DO HEREBY DECLARE THAT:

1. An ASEAN Community shall be established comprising three pillars, namely political and security cooperation, economic cooperation, and socio-cultural cooperation that are closely intertwined and mutually reinforcing for the purpose of ensuring durable peace, stability and shared prosperity in the region;
2. ASEAN shall continue its efforts to ensure closer and mutually beneficial integration among its member states and among their peoples, and to promote regional peace and stability, security, development and prosperity with a view to realizing an ASEAN Community that is open, dynamic and resilient;
3. ASEAN shall respond to the new dynamics within the respective ASEAN Member Countries and shall urgently and effectively address the challenge of translating ASEAN cultural diversities and different economic levels into equitable development opportunity and prosperity, in an environment of solidarity, regional resilience and harmony;
4. ASEAN shall nurture common values, such as habit of consultation to discuss political issues and the willingness to share information on matters of common concern, such as environmental degradation, maritime security cooperation, the enhancement of defense cooperation among ASEAN countries, develop a set of socio-political values and principles, and resolve to settle long-standing disputes through peaceful means;

5. The Treaty of Amity and Cooperation in Southeast Asia (TAC) is the key code of conduct governing relations between states and a diplomatic instrument for the promotion of peace and stability in the region;
6. The ASEAN Regional Forum (ARF) shall remain the primary forum in enhancing political and security cooperation in the Asia Pacific region, as well as the pivot in building peace and stability in the region. ASEAN shall enhance its role in further advancing the stages of cooperation within the ARF to ensure the security of the Asia Pacific region;
7. ASEAN is committed to deepening and broadening its internal economic integration and linkages with the world economy to realize an ASEAN Economic Community through a bold, pragmatic and unified strategy;
8. ASEAN shall further build on the momentum already gained in the ASEAN+3 process so as to further draw synergies through broader and deeper cooperation in various areas;
9. ASEAN shall build upon opportunities for mutually beneficial regional integration arising from its existing initiatives and those with partners, through enhanced trade and investment links as well as through IAI process and the RIA;
10. ASEAN shall continue to foster a community of caring societies and promote a common regional identity;

DO HEREBY ADOPT:

The framework to achieve a dynamic, cohesive, resilient and integrated ASEAN Community:

A. ASEAN SECURITY COMMUNITY (ASC)

1. The ASEAN Security Community is envisaged to bring ASEAN's political and security cooperation to a higher plane to ensure that countries in the region live at peace with one another and with the world at large in a just, democratic and harmonious environment. The ASEAN Security Community members shall rely exclusively on peaceful processes in the settlement of intra-regional differences and regard their security as fundamentally linked to one another and bound by geographic location, common vision and objectives.
2. The ASEAN Security Community, recognizing the sovereign right of the member countries to pursue their individual foreign policies and defense arrangements and taking into account the strong interconnections among political, economic and social realities, subscribes to the principle of comprehensive security as having broad political, economic, social and cultural aspects in consonance with the ASEAN Vision 2020 rather than to a defense pact, military alliance or a joint foreign policy.

3. ASEAN shall continue to promote regional solidarity and cooperation. Member Countries shall exercise their rights to lead their national existence free from outside interference in their internal affairs.
4. The ASEAN Security Community shall abide by the UN Charter and other principles of international law and uphold ASEAN's principles of non-interference, consensus-based decision-making, national and regional resilience, respect for national sovereignty, the renunciation of the threat or the use of force, and peaceful settlement of differences and disputes.
5. Maritime issues and concerns are transboundary in nature, and therefore shall be addressed regionally in holistic, integrated and comprehensive manner. Maritime cooperation between and among ASEAN member countries shall contribute to the evolution of the ASEAN Security Community.
6. Existing ASEAN political instruments such as the Declaration on ZOPFAN, the TAC, and the SEANWFZ Treaty shall continue to play a pivotal role in the area of confidence building measures, preventive diplomacy and the approaches to conflict resolution.
7. The High Council of the TAC shall be the important component in the ASEAN Security Community since it reflects ASEAN's commitment to resolve all differences, disputes and conflicts peacefully.
8. The ASEAN Security Community shall contribute to further promoting peace and security in the wider Asia Pacific region and reflect ASEAN's determination to move forward at a pace comfortable to all. In this regard, the ARF shall remain the main forum for regional security dialogue, with ASEAN as the primary driving force.
9. The ASEAN Security Community is open and outward looking in respect of actively engaging ASEAN's friends and Dialogue Partners to promote peace and stability in the region, and shall build on the ARF to facilitate consultation and cooperation between ASEAN and its friends and Partners on regional security matters.
10. The ASEAN Security Community shall fully utilize the existing institutions and mechanisms within ASEAN with a view to strengthening national and regional capacities to counter terrorism, drug trafficking, trafficking in persons and other transnational crimes; and shall work to ensure that the Southeast Asian Region remains free of all weapons of mass destruction. It shall enable ASEAN to demonstrate a greater capacity and responsibility of being the primary driving force of the ARF.
11. The ASEAN Security Community shall explore enhanced cooperation with the United Nations as well as other international and regional bodies for the maintenance of international peace and security.

12. ASEAN shall explore innovative ways to increase its security and establish modalities for the ASEAN Security Community, which include, inter alia, the following elements: norms-setting, conflict prevention, approaches to conflict resolution, and post-conflict peace building.

B. ASEAN ECONOMIC COMMUNITY (AEC)

1. The ASEAN Economic Community is the realisation of the end-goal of economic integration as outlined in the ASEAN Vision 2020, to create a stable, prosperous and highly competitive ASEAN economic region in which there is a free flow of goods, services, investment and a freer flow of capital, equitable economic development and reduced poverty and socio-economic disparities in year 2020.
2. The ASEAN Economic Community is based on a convergence of interests among ASEAN members to deepen and broaden economic integration efforts through existing and new initiatives with clear timelines.
3. The ASEAN Economic Community shall establish ASEAN as a single market and production base, turning the diversity that characterises the region into opportunities for business complementation making the ASEAN a more dynamic and stronger segment of the global supply chain. ASEAN's strategy shall consist of the integration of ASEAN and enhancing ASEAN's economic competitiveness. In moving towards the ASEAN Economic Community, ASEAN shall, inter alia, institute new mechanisms and measures to strengthen the implementation of its existing economic initiatives including the ASEAN Free Trade Area (AFTA), ASEAN Framework Agreement on Services (AFAS) and ASEAN Investment Area (AIA); accelerate regional integration in the priority sectors; facilitate movement of business persons, skilled labour and talents; and strengthen the institutional mechanisms of ASEAN, including the improvement of the existing ASEAN Dispute Settlement Mechanism to ensure expeditious and legally binding resolution of any economic disputes. As a first step towards the realization of the ASEAN Economic Community, ASEAN shall implement the recommendations of the **High Level Task Force on ASEAN Economic Integration as annexed**.
4. The ASEAN Economic Community shall ensure that deepening and broadening integration of ASEAN shall be accompanied by technical and development cooperation in order to address the development divide and accelerate the economic integration of Cambodia, Lao PDR, Myanmar and Viet Nam through IAI and RIA so that the benefits of ASEAN integration are shared and enable all ASEAN Member Countries to move forward in a unified manner.
5. The realization of a fully integrated economic community requires implementation of both liberalization and cooperation measures. There is a need to enhance cooperation and integration activities in other areas. These will involve, among others, human resources development and capacity building; recognition of educational qualifications; closer consultation on macroeconomic and financial policies; trade financing measures; enhanced infrastructure and communications connectivity; development of electronic transactions through e-ASEAN; integrating industries

across the region to promote regional sourcing; and enhancing private sector involvement.

C. ASEAN SOCIO-CULTURAL COMMUNITY (ASCC)

1. The ASEAN Socio-cultural Community, in consonance with the goal set by ASEAN Vision 2020, envisages a Southeast Asia bonded together in partnership as a community of caring societies.
2. In line with the programme of action set by the 1976 Declaration of ASEAN Concord, the Community shall foster cooperation in social development aimed at raising the standard of living of disadvantaged groups and the rural population, and shall seek the active involvement of all sectors of society, in particular women, youth, and local communities.
3. ASEAN shall ensure that its work force shall be prepared for, and benefit from, economic integration by investing more resources for basic and higher education, training, science and technology development, job creation, and social protection. The development and enhancement of human resources is a key strategy for employment generation, alleviating poverty and socio-economic disparities, and ensuring economic growth with equity. ASEAN shall continue existing efforts to promote regional mobility and mutual recognition of professional credentials, talents, and skills development.
4. ASEAN shall further intensify cooperation in the area of public health, including in the prevention and control of infectious diseases, such as HIV/AIDS and SARS, and support joint regional actions to increase access to affordable medicines. The security of the Community is enhanced when poverty and diseases are held in check, and the peoples of ASEAN are assured of adequate health care.
5. The Community shall nurture talent and promote interaction among ASEAN scholars, writers, artists and media practitioners to help preserve and promote ASEAN's diverse cultural heritage while fostering regional identity as well as cultivating people's awareness of ASEAN.
6. The Community shall intensify cooperation in addressing problems associated with population growth, unemployment, environmental degradation and transboundary pollution as well as disaster management in the region to enable individual members to fully realize their development potentials and to enhance the mutual ASEAN spirit.

We hereby pledge to our peoples our resolve and commitment to bring the ASEAN Community into reality and, for this purpose, task the concerned Ministers to implement this Declaration.

Done in Bali, Indonesia, on the Seventh Day of October in the Year Two Thousand and Three.

For Brunei Darussalam
HAJI HASSANAL BOLKIAH
Sultan of Brunei Darussalam

For the Kingdom of Cambodia

SAMDECH HUN SEN

Prime Minister

For the Republic of Indonesia

MEGAWATI SOEKARNOPUTRI

President

For the Lao People's Democratic Republic

BOUNNHANG VORACHITH

Prime Minister

For Malaysia

DR. MAHATHIR BIN MOHAMAD

Prime Minister

For the Union of Myanmar

GENERAL KHIN NYUNT

Prime Minister

For the Republic of the Philippines

GLORIA MACAPAGAL-ARROYO

President

For the Republic of Singapore

GOH CHOK TONG

Prime Minister

For the Kingdom of Thailand

DR. THAKSIN SHINAWATRA

Prime Minister

For the Socialist Republic of Viet Nam

PHAN VAN KHAI

Prime Minister

Speech by Prime Minister of Japan Junichiro Koizumi

ASEAN Business and Investment Summit

October 7, 2003

Distinguished guests, ladies and gentlemen:

Good morning!

Almost exactly one year ago, many lives were taken in a terrorist bomb attack here in Bali. I would like once again to extend my condolences to the victims and their families. We must not be daunted by terrorism, and it is of symbolic importance that many of the region's heads of state and government as well as business leaders have gathered here today to discuss the creation of our future.

Last year, I proposed "act together and advance together" and "sincere and open partnership" in the relationship between Japan and ASEAN. This statement is based on my conviction that we are at a stage where we should advance toward an even greater goal, building upon the ties which Japan and ASEAN have enjoyed over the past 30 years or so.

This year has been designated ASEAN-Japan Exchange Year 2003, celebrating our long history of friendship. Over 600 commemorative events and programs will have been held in Japan and ASEAN countries. As the crowning event of this year of exchange, the Japan-ASEAN Commemorative Summit will be held for the first time in the history of ASEAN. It will be held in Tokyo at the end of the year. I hope that the Commemorative Summit will give broad guidelines for the partnership between Japan and ASEAN in the 21st century.

I firmly believe that the aim of the Japan-ASEAN partnership is to transform the East Asian region into an open community that "acts together and advances together" and shares greater prosperity, peace, and trust. Japan and ASEAN should strengthen their cooperation as the engine behind not just their own mutual prosperity but also the prosperity of the entire East Asian region.

East Asia is the world's most promising growth center. ASEAN, Japan, China, and South Korea are home to approximately one third of the world's population and account for about one fifth of both the world's nominal GDP and total trade volume. Nonetheless, compared to the dynamism in North America through NAFTA and Europe via the EU, the Asia region lags behind in terms of regional cooperation and is not fully exercising its potential as a region.

In recent years, however, we have seen impressive developments in East Asian region, including not only cooperation between Japan-ASEAN but also collaboration among ASEAN+3 and among Asian and Oceanian nations related to transnational issues, including piracy and illicit drugs. In the financial world, institutional arrangements for the Chiang Mai Initiative and the development of Asian bond markets are being promoted to prevent recurrence of an Asian financial crisis. ASEAN itself is making efforts to enhance its integration and heighten its

competitiveness. Today as regional cooperation has started to develop, it is expected that all measures taken by this region will be promoted keeping in mind the overriding aim of creating an open community that “acts together and advances together.”

What tasks should Japan and ASEAN address in order to achieve mutual prosperity and create an East Asian community?

First, partnership on the economic front should be fortified. If the exchange of ideas and the movement of people, goods, and funds are enhanced within the East Asian region with its great potential, economic activities will be further stimulated, and the economy of scale will also take effect. Japan and ASEAN are becoming increasingly interdependent in terms of their economies. Alongside the EU, ASEAN is Japan’s second largest trade partner, sharing over \$110 billion in trade annually. Moreover, accumulated amount of direct investment from Japan to ASEAN exceeds \$100 billion. As the nucleus of economic cooperation in the East Asian region, the economic partnership shared by Japan and ASEAN should serve as a model.

Based upon this idea, I proposed “The Initiative for Japan-ASEAN Comprehensive Economic Partnership” last year. This initiative promotes not only the liberalization of investment and trade in goods and services, but also encourages advanced cooperation in a wide range of fields from tourism to human resources development and small and medium-sized corporations. We strive not only to achieve economic profit, but also to deepen our political and human ties and to increase the strength of the entire region through friendly competition. The Japan-Singapore Economic Partnership Agreement has already entered into force, and consultations are underway with Thailand, the Philippines, Malaysia, and Indonesia with a goal toward creating similar bilateral economic partnerships. Moreover, a basic agreement has been reached on the Japan-Viet Nam Investment Agreement. Japan is working to create an economic partnership with ASEAN as a whole in fields for trade facilitation and cooperation as well as in areas for liberalization.

Secondly, the economic crisis made us keenly aware that East Asia needs strong economic systems which would enjoy confidence of investors and consumers in the world. This means enhancing the legal systems in the area of anti-monopoly issues so that rival companies can compete on an equal footing. The protection of intellectual property rights must also be ensured so that inventors whose profits are protected would have an increased desire to develop new technology. The transparency of the public procurement system also has to be secured in order to prevent corruption. The kinds of reforms required will differ from country to country; however, every country will need the determination to change systems if ill-suited to the current situation though they used to function well. I am promoting reform in Japan in the belief that “without structural reform there can be no rebirth for Japan.” At the same time, I am calling upon the Japanese people not to fear change but to take up the challenges presented by the new age. By developing its economic systems, ASEAN can continue to be an attractive investment destination for foreign corporations. Japan and ASEAN can further prosper, I believe, sharing their experiences and lessons.

The third issue is promoting economic development and rectifying the disparities in the ASEAN region. Japan recognizes the importance of ASEAN’s maintaining its unity and developing together. Japan has placed special emphasis on ASEAN countries in providing ODA to developing countries in the world. Over the past decade, Japan has extended bilateral ODA to ASEAN countries in the amount of approximately \$24 billion or about 30 percent of Japan’s total bilateral ODA.

Japan will continue to emphasize ASEAN countries in its ODA activities.

At the same time, foreign direct investment assumes increasing importance for the economic development of the ASEAN countries. Investment plays a significant role for developing countries to achieve self-reliant prosperity. Thus, it is of utmost importance to improve investment environment. For example, the Mekong subregion development requires a new strategy that combines various elements, including not only ODA, but also market integration, trade, and investment. Moreover, following the good tradition of East Asia where countries that are at different levels of economic development help and complement each other, Japan intends to support new members of the ASEAN through its partnership with its more advanced members.

I would like to make one final remark. A sound political environment is indispensable to overcome the various issues I have just mentioned and expand trade and investment. The countries of this region should offer each other advice and assistance to resolve any difficulties they face in the political realm. In this area as well, Japan will “act together and advance together” as a “sincere and open partner.”

The world is changing and growing day after day. I am confident that future generations will view the various kinds of regional cooperation we are undertaking today as a history-making endeavor to raise East Asia to a new stage. I am proud that Japan and ASEAN can play an active role in these historic times. Japan is always prepared to provide cooperation and support for the further development of ASEAN countries. This basic stance of ours is unshakable. I strongly hope that Japan and ASEAN will further deepen heart-to-heart understanding and continue to be true friends who help with each other at any time, not only in fair weather, but in adverse circumstances as well.

Thank you for your kind attention.

**ASEAN-Japan Summit
Phnom Penh
5 November 2002**

**Joint Declaration of the Leaders of ASEAN and Japan
on the Comprehensive Economic Partnership**

WE, Heads of State/Government of Brunei Darussalam, Kingdom of Cambodia, Republic of Indonesia, Lao People's Democratic Republic, Malaysia, Union of Myanmar, Republic of the Philippines, Republic of Singapore, Kingdom of Thailand, Socialist Republic of Vietnam, and Japan, gathered today for the ASEAN-Japan Summit,

Recalling the Initiative proposed by Prime Minister Junichiro Koizumi in January this year for Japan-ASEAN Comprehensive Economic Partnership to strengthen broad-ranging economic partnership between Japan and ASEAN;

Inspired by the significant progress made in ASEAN-Japan relations which would be highlighted by the ASEAN-Japan Commemorative Summit in 2003 to mark 30 years of ASEAN-Japan relations;

Acknowledging that the economic partnership between ASEAN and Japan has been expanding and cover a wide range of areas;

Recognizing that the rapid progress of regional economic integration in other parts of the world, particularly in Europe and in North America, has been contributing to promote liberalization of world trade and stimulate dynamism in the region;

HEREBY DECLARE:

1. We underlined the desirability for this region to seek such economic integration through the creation of economic partnerships and linkages.
2. We shared the view that such partnerships and linkages should be of a comparable nature to ones achieved in other regions and completed as soon as possible.
3. We viewed that a comprehensive economic partnership between ASEAN and Japan would provide greater market opportunities to their economies, through the creation of larger and new markets and enabling the industries to enjoy bigger economies of scale, and that such partnership would bring about greater stability and prosperity to this region, nurturing a sense of community between ASEAN and Japan.
4. We recognized that, for the creation of economic partnerships and linkages of a leading nature

between ASEAN and Japan, ASEAN and Japan should seek broad-based economic partnership covering not only liberalization of trade and investment but also trade and investment promotion and facilitation measures, including, but not limited to customs procedures, standards and conformance, non-tariff measures, and co-operation in other areas, such as financial services, information and communications technology, science and technology, human resource development, small and medium enterprises, tourism, transport, energy and food security.

5. We endorsed the approach that, while considering a framework for the realization of a Comprehensive Economic Partnership between Japan and ASEAN as a whole, any ASEAN member country and Japan could initiate works to build up a bilateral economic partnership. We welcomed the efforts made by our foreign and economic ministers on the ASEAN-Japan comprehensive economic partnership and commended the Expert Group on ASEAN-Japan Closer Economic Partnership for their report. We also welcomed and encouraged initiatives by ministers of other portfolios, such as transport, to promote co-operation for such economic partnerships.
6. From the viewpoint of promoting the aforementioned approach, we expressed satisfaction with the progress of consultations between ASEAN countries and Japan to explore bilateral economic partnerships and agreed that such bilateral economic partnerships should seek to develop and enhance the comprehensive economic partnership between ASEAN and Japan.
7. We recognized that the goal of such block building should be to strengthen current economic partnership between Japan and ASEAN as a whole and, with this as a basis, to explore and broaden such economic partnerships for the whole of East Asia.
8. We noted that the ASEAN-Japan Comprehensive Economic Partnership would expand trade and boost growth between the two regions. By the year 2020, the export value from ASEAN to Japan would increase by US\$ 20,630 million, which would be equivalent to 44.2% of that in the base year, 1997. The export value from Japan to ASEAN would increase by US\$ 20,022 million, which would be equivalent to 27.5% of that in the base year.
9. Based on these understandings, we decided that ASEAN and Japan develop a framework that would provide a basis for concrete plans and elements towards realising an ASEAN-Japan Comprehensive Economic Partnership in accordance with such guiding principles as comprehensiveness of countries and sectors, reciprocity and mutual benefits.
10. We affirmed that special and differential treatment could be provided to developing countries of ASEAN in accordance with WTO Agreements. Additional flexibility should also be accorded to the new members of ASEAN.
11. We also decided that the implementation of measures for the realization of the partnership, including elements of a possible free trade area, should be completed as soon as possible within 10 years, taking into account the economic levels and sensitive sectors in each country.

12. We confirmed that the ASEAN-Japan Comprehensive Economic Partnership should be consistent with the rules and disciplines of the WTO.
13. We recognized the feasibility and effectiveness of the building block approach. Therefore, the Comprehensive Economic Partnership should begin in areas where implementation is feasible; it could address areas that could be implemented on an accelerated basis to provide immediate benefits to the parties, without leaving the liberalization aspect behind, such as:
 - Technical assistance and capacity building to ASEAN, particularly for the new members, so as to improve their competitiveness to meaningfully participate in the partnership
 - Trade and investment promotion and facilitation measures
 - Trade policy dialogue
 - Business sector dialogue
 - Facilitation of mobility for business people
 - Any other measures delivering immediate mutual benefits.
14. Finally, we also decided on the establishment of a Committee, consisting of relevant senior officials of ASEAN and Japan responsible for sectors and scopes of comprehensive economic partnership and tasked this committee to consider and draft a framework for the realization of the Comprehensive Economic Partnership and present its report to the Leaders Meeting in 2003. We also instructed that the progress of the creation of bilateral economic partnerships should be reported to this Committee.

DONE in Phnom Penh, Cambodia on the 5th day of November, Two Thousand and Two, in two copies in the English language.

For Brunei Darussalam
HAJI HASSANAL BOLKIAH
Sultan of Brunei Darussalam

For the Kingdom of Cambodia
HUN SEN
Prime Minister

For the Republic of Indonesia
MEGAWATI SOEKARNOPUTRI
President

For Japan
JUNICHIRO KOIZUMI
Prime Minister

For the Lao People's Democratic Republic
BOUNNHANG VORACHITH
Prime Minister

For Malaysia
MAHATHIR BIN MOHAMAD
Prime Minister

For the Union of Myanmar
SENIOR GENERAL THAN SHWE
Chairman of the State Peace and Development Council and
Prime Minister

For the Republic of the Philippines
GLORIA MACAPAGAL-ARROYO
President

For the Republic of Singapore
GOH CHOK TONG
Prime Minister

For the Kingdom of Thailand
LT. POL. COL. THAKSIN SHINAWATRA
Prime Minister

For the Socialist Republic of Viet Nam
PHAN VAN KHAI
Prime Minister

Speech by Prime Minister of Japan Junichiro Koizumi

Japan and ASEAN in East Asia —A Sincere and Open Partnership—

January 14, 2002
Singapore

Your Excellency, Prime Minister Goh Chok Tong,
Your Excellency, Deputy Prime Minister
and Minister for Defence Tony Tan,
Ladies and Gentlemen,

I am greatly honored to give this speech here in Singapore, the final stop on my schedule of visits to the countries of ASEAN.

Singapore is a remarkable nation with remarkable people. Bursting through the constraints of size and resources, Singapore through sheer energy and willpower has created a tremendous place for itself in the world. Through its economic and diplomatic vitality, it contributes to the international community far in excess of what size alone would warrant. And so to the government and people of Singapore, let me express my admiration and respect for your achievements.

I am told that Singapore is called the “Lion City.” Maybe it has something to do with my hair-style, but in Japan I am known as the “Lion Prime Minister.” Perhaps that is why I am so delighted to be here in the Lion City.

Today I would like to speak about cooperation between Japan and ASEAN and my concept of how this cooperation can contribute to all of East Asia.

Let me begin by defining what cooperation truly is. Cooperation is working in common purpose with others in order to accomplish more. In the simplest terms, this is what I would like to see Japan and ASEAN accomplish—more prosperity, more peace, more understanding, more trust. This cooperation requires an exchange of ideas, opinions and people.

Exchanges between Japan and the countries of Southeast Asia have a long history. As early as the 14th century, the Kingdom of the Ryukyu, which ruled the islands of Okinawa, traded with Thailand. In the 16th century, the sea-borne trade in vermilion seals was active in the waters that connect East Asia, and a thousand Japanese lived in Ayuthaya, the Thai capital of the period.

One recent anecdote in particular demonstrates to me how fate has destined exchange between Japan and Southeast Asia. In 1989, a child living on the southern Japanese island of Tanegashima placed a “letter of friendship” in a bottle and set it adrift in the sea. That very same bottle traversed the seas that our ancestors had themselves traveled in trade—and ten years later in 1999 it washed up on the shores of Malaysia. The Malaysian citizen who found the message invited the Japanese

child to come to Malaysia, which resulted in both a real and a symbolic exchange.

Today, many kinds of bottles travel between Japan and Singapore—economic, political, diplomatic and cultural. At present, Japan's pop culture has become a part of Singapore's pop culture, and the young people of Singapore are teaching English to young Japanese people. In such ways and many others, our mutual exchanges are passed to the younger generation.

The exchanges between Japan and Southeast Asia, of course, also include more formal and diplomatic exchanges. Twenty-five years ago in 1977, then-Prime Minister Takeo Fukuda made a speech in Manila, citing "equal partnership" and "heart-to-heart understanding" between Japan and ASEAN. Based on the fundamental concepts of the "Fukuda Speech," Japan's ASEAN policies have been passed on from that time to each subsequent Cabinet. I, too, am eager to promote such policies.

In the quarter-century since the "Fukuda Speech," the global situation has undergone tremendous change. In Southeast Asia, peace has progressed with the resolution of conflicts in Indochina, resulting in the expansion of ASEAN to ten countries. Democratization and a market economy are also progressing in Asia. The People's Republic of China and Taiwan have joined the WTO. Furthermore, as a result of the terrorist attacks on the United States, we've seen a paradigm shift in security concepts, making patently clear the importance of working together for the sake of peace and stability.

In the 21st century, the changes confronting Japan and ASEAN will be even more swift and momentous. We must face such changes with unflinching resolve and courage. And we must face them together.

Despite enduring difficult trials in the midst of economic globalization, despite living in different stages of economic development, despite a diversity of backgrounds, all of the ASEAN countries increasingly share the basic values of democracy and market economy. Efforts to harmonize the region's diverse histories, societies, cultures and religions have reaped a greater good for all.

I believe that Japan has made a contribution in strengthening the countries of ASEAN. True to the old adage, "A friend in need is a friend indeed," Japan at the time of Asia's financial crisis played a role in easing that crisis. We viewed the situation not just as your challenge but as our own. I believe that Japan-ASEAN relations have reached a new level of maturity and understanding. In the 21st century, as sincere and open partners, Japan and ASEAN should strengthen their cooperation under the basic concept of "acting together—advancing together."

So, what are the areas where we should focus our cooperation as we "act together—advance together?"

First, by undertaking reforms in our respective countries, we will advance individually and jointly toward increased prosperity.

During the mid-19th century, Japan underwent major reforms for modernization known as the Meiji Restoration. At the end of World War II, Japan conducted major reforms based on democracy. Now, in order to adapt to radical changes in the international community of the 21st century, I am convinced that Japan must undergo a "third major reform." Since my appointment as Prime Minister, I have been tackling such reform under the banner of "structural reform without sanctuaries." I know that no great reform is accomplished without pain and resistance. I also know that the countries of ASEAN are awaiting Japan's structural reform and the subsequent return of a

dynamic Japanese economy. I realize that when it comes to the global economy, rain does not fall on one roof alone.

The reason that the Japanese economy stagnated for such a long period in the 1990s is clear. Japan's previous success had made us complacent. Despite the significant changes taking place in the global economy, Japan failed to respond by reforming its political and economic structures. Information and communications technologies have rapidly created a single, unified global market. Competition has become much more severe. To succeed under such conditions, a country needs a free and efficient market that can be trusted by global investors and consumers alike. It needs a strong and healthy financial market.

These challenges are as important for the countries of ASEAN as they are for Japan. The Asian financial crisis showed us that the ASEAN countries also required new economic structures. Change is not easy for individuals or for countries. Someone once said that courage is the power to let go of the familiar—and that is what we must do. As I mentioned a moment ago, reform will inevitably be accompanied by pain, which eventually will be succeeded by sustainable prosperity.

Japan is ready to support ASEAN's serious efforts of reform. Specifically, Japan offers its cooperation to improve legislation, administrative capabilities and nation-building measures. We offer our help to improve the capabilities of each country to compete economically and to participate in a multilateral trading system based on the WTO. We also offer our cooperation in developing a healthy financial system, which is to a country what the circulatory system is to the human body.

Japan will continue to cooperate in such areas as Mekong Subregion Development so that Cambodia, Laos, Myanmar and Vietnam may accelerate their economic development. It is also important that we continue to cooperate in information and communications technology, which contributes to the integration of ASEAN. Through the swift realization of an ASEAN Free Trade Area and an ASEAN Investment Area, ASEAN should continue to be an attractive place of investment for Japanese companies. To this end, the promotion of supporting industries is also an important part of our cooperation.

The second point is to continue and strengthen our cooperation for the sake of stability.

Instability is not always elsewhere. Sometimes it is at home. Factors for instability are also in the region. Japan for many years now has been the largest contributor of foreign aid in the world. In Southeast Asia, Japan would like to actively cooperate in reducing poverty and preventing conflicts, in such cases as Mindanao, Aceh and East Timor. In particular, by the spring of this year Japan will dispatch a Self Defense Force Engineer Unit to Peace-Keeping Operations in East Timor.

In recent years, Japan has begun to fulfill its international obligations, such as peace-keeping missions. We have dispatched Self Defence Forces to help in Cambodia, Mozambique, Zaire and the Golan Heights. And, in cooperation with the countries of ASEAN, we intend to make an even more active contribution to ensure regional stability here in Southeast Asia. The ASEAN Regional Forum has made steady progress in building confidence and trust on security matters. Now is the time to aim for a higher degree of cooperation. Japan is eager to consider how together we can develop this forum for the future.

Efforts towards democratization in Myanmar must also be accelerated, and this is an endeavor that we fully support.

Together, Japan and ASEAN must also tackle a variety of transnational issues such as terrorism, piracy, energy security, infectious diseases, the environment, narcotics and trafficking in people.

These ancient and modern ills represent a major challenge to us all.

Japan-ASEAN cooperation must extend its reach globally. I believe we should increase our cooperation on such issues as peace and reconstruction assistance to Afghanistan, measures for disarmament and non-proliferation and reform of the United Nations. We have a role to play in the world, and we should play it. In particular, I hope to see active participation on the part of the countries of ASEAN at the Ministerial Conference on Reconstruction Assistance to Afghanistan to be held in Tokyo on 21 and 22 January. In the recent past, the people of Southeast Asia have suffered from war and violence; so they well understand the hardship that the people of Afghanistan have endured for so many years.

A third area of cooperation between Japan and the countries of ASEAN relates to the future. I would like to propose initiatives in five areas.

One, we must focus on education and human resources development, which form the foundation for national development. I would like to dispatch a governmental mission to ASEAN countries to promote exchange and cooperation between universities. Some Japanese universities have already opened courses in English as well as Japanese language courses for students in ASEAN by utilizing the Internet. Through such efforts I expect that university exchanges will develop. I would also like to continue the training of information and communications technology engineers in both Japan and ASEAN in order to enhance practical opportunities in the region. In addition, I emphasize the importance of the institution building and capacity building in governance, as well as the promotion of supporting industries.

Two, I propose that 2003 be designated as the Year of Japan-ASEAN Exchange. We should present a number of ideas to stimulate exchanges in all areas, including intellectual and cultural. I also believe it would be useful to strengthen the network that links research institutions in Japan and ASEAN countries.

Three, I would like to propose an Initiative for Japan-ASEAN Comprehensive Economic Partnership. Of course, we will cooperate in the new round of multilateral trade negotiations under the WTO. At the same time, we must strengthen broad ranged economic partnership by stretching further than trade and investment—to such areas as science and technology, human resource development and tourism. The Japan-Singapore Economic Agreement for a New Age Partnership, which was signed yesterday, is an example of such economic partnership. I would like to see us generate concrete proposals for endorsement at the Japan-ASEAN Summit Meeting.

Four, in order to pursue development in a new era, I propose the convening of an Initiative for Development in East Asia meeting. Based on East Asia's development experiences to date, my hope is that such a meeting would provide an opportunity for us to reexamine where we are and to consider together future models for development—thus raising the standard of living for the peoples of the region.

Five, I propose that Japan and ASEAN security cooperation, including transnational issues such as terrorism, be drastically intensified. Now, more than ever, we realize that one's own security is at stake when a neighbor's wall is ablaze. I believe we need an agreement for regional cooperation on piracy, and I will promote consultation to achieve that end. We must band together to eradicate the plague of piracy. In addition, I would like to strengthen cooperation between the Coast Guard of Japan and ASEAN counterparts. I also wish to promote regional cooperation in

strengthening energy security, in light of the gap between rapid increase of energy demand and lagging energy supply within Asia.

Finally, let me turn to how cooperation between Japan and ASEAN should be linked to cooperation with all of East Asia. I believe that East Asia's whole can be greater than the sum of its parts.

Ladies and gentlemen, if you took a poll of the world's economists and asked them what region of the world they believe to have the greatest potential in the immediate future, I have no doubt of their answer. They would say East Asia. By cooperating, I believe we can gain the critical mass to advance this potential.

Our goal should be the creation of a "community that acts together and advances together." And we should achieve this through expanding East Asia cooperation founded upon the Japan-ASEAN relationship. While recognizing our historical, cultural, ethnic and traditional diversity, I would like to see countries in the region become a group that works together in harmony. Our pasts may be varied and divergent, but our futures can be united and supportive of each other. The realization of such a group needs strategic considerations in order to produce positive consequences. And in order to contribute to global challenges, we must play a role in linking our region to the world.

Certainly, such an objective cannot be achieved overnight.

The first step is to make the best use of the framework of ASEAN+3. We should promote cooperation on the broad range of areas that I have been discussing today, in order to secure prosperity and stability in our region.

The deepening of Japan's cooperation with China and the Republic of Korea will also be a significant force in propelling this community. The Trilateral Meeting of the leaders of Japan, China and the Republic of Korea set some wonderful precedents. I would like to highly praise the active role China is willing to play in regional cooperation. With its wealth of human resources and huge economic potential, China will surely make an enormous contribution to regional development. In addition, I would like to express my respect for the Republic of Korea's dynamic initiatives in promoting regional cooperation. I can confirm that the three leaders of Japan, China and the Republic of Korea are resolved to cooperate with each other; because we all know that our trilateral cooperation will make great contribution to prosperity of the region.

An important challenge is strengthening economic partnership in the region. The Initiative for Japan-ASEAN Comprehensive Economic Partnership that I mentioned earlier will be an important platform for this purpose. I expect that the ASEAN-China Free Trade Area and moves toward economic partnership between ASEAN and Australia and New Zealand will make similar contributions.

If one considers the specific challenges to be tackled in the region, it is only natural that these countries will deepen their partnerships with each other.

Through this cooperation, I expect that the countries of ASEAN, Japan, China, the Republic of Korea, Australia and New Zealand will be core members of such a community.

The community I am proposing should be by no means an exclusive entity. Indeed, practical cooperation in the region would be founded on close partnership with those outside the region. In particular, the role to be played by the United States is indispensable because of its contribution to regional security and the scale of its economic interdependence with the region. Japan will

continue to enhance its alliance with the United States. Cooperation with Southwest Asia, including India, is also of importance, as is cooperation with the Pacific nations through APEC, the Asia-Pacific Economic Cooperation group, and with Europe through ASEM, the Asia-Europe Meeting. APEC and ASEM are important tools to link our region to other regions.

Through such efforts, the community I have described can take meaningful actions for regional cooperation. I believe that this in turn will benefit global stability and prosperity.

Let me summarize by using an analogy. I am a great fan of opera. To me, the appeal of opera lies in the fact that a myriad of singers and instruments, each possessed of different qualities of voice and sound, against the backdrop of a grand stage and beautiful costumes, come together in one complete and impressive drama. The community that I have outlined today is exactly such a creation. As we “act together and advance together,” let us in concert compose a harmonious community of many voices raised for the greater good.

As was the case with the “letter of friendship” sent in a bottle by the child from Tanegashima, I sincerely hope that my words today will reach each of your hearts and prompt you to join me in creating such a community in this region.

Thank you for inviting me, and thank you for your kind hospitality.