Australia and ASEAN: Issues, themes and future prospects

Over more than four decades, the Association of Southeast Asian Nations (ASEAN) has been a substantial focus for Australia and the two sides have established many areas of dialogue and cooperation. Australia reaffirmed its commitment to ASEAN in the Commemorative Summit in November 2014. There are, nonetheless, significant questions about the character and likely future course of the relationship. This chapter reviews major themes and lessons that may be drawn from assessing the relationship since 1974, and discusses factors that are likely to be important for the future.

Themes and lessons

Australia has benefited greatly from ASEAN’s contribution towards maintaining peace and enhancing stability in relations among its own members, arguably ASEAN’s single greatest achievement. Southeast Asia was in a highly unstable position in 1967 in the aftermath of Konfrontasi and with the conflicts in Indochina involving intense Cold War competition and massive violence. ASEAN provided a framework for communication and confidence-building that stabilised relations among the original founding members. ASEAN’s consensus-based style of cooperation enabled it to encompass Brunei (in 1984) and then four states in mainland Southeast Asia, when this became possible from the mid-1990s. ASEAN’s model of cooperation continues to have
appeal and Timor-Leste wishes to become the Association’s eleventh member.¹ When the highly unstable environment of the mid-1960s is recalled, it is clear that Australia’s security has been bolstered by ASEAN’s confidence-building within Southeast Asia and its creation of diplomatic habits of mind and behaviour that have had wider Asian applications.

Australia has been able to cooperate with ASEAN in areas of major mutual interest. Early interactions from the mid-1970s produced some significant disagreement over trade relations that were not at that time resolved to ASEAN’s satisfaction. However, dialogue on economic policies was increased and a challenge by ASEAN to Australia’s policies on civil aviation from 1978 – an early example of ASEAN’s capacity to bargain as a group – produced compromises that provided some satisfaction to the ASEAN side, particularly to Singapore. Further cooperation was pursued to deal with the outflows of people from Indochina after 1975. ASEAN’s capacity to communicate and coordinate responses to a major political and humanitarian challenge gained greater international attention and assistance, and increased commitments of resettlement places. Coordination between Australia and ASEAN played a crucial role in the development of policies to help Australia manage the intake of refugees and gain cooperation to minimise unregulated flows of people directly to Australia by boat.²

Cooperation with ASEAN, along with some policy disagreement, was a key part of the diplomacy pursued by Australia over Cambodia in the 1980s and early 1990s. Australia’s approach initially involved some discord with ASEAN as Malcolm Fraser’s government in 1980 withdrew recognition from the Democratic Kampuchea (Khmer Rouge) regime. Bob Hawke’s government from 1983 then sought to explore avenues for additional dialogue at a time when ASEAN and the major powers were resistant to alternative approaches. However, from 1989, close coordination with ASEAN and with Indonesia in particular was integral to Australia’s capacity to help make

¹ At the time of writing, it was expected widely that Timor-Leste would be accepted as a member by 2017; see Termsak Chalermpalanupap, ‘Timor-Leste’s Quest to Join ASEAN: The Process and the Pace’, ASEAN Focus, 1/2015, August 2015.
² As noted in Chapter 5, in the later phase of people movements from the late 1990s (where most of those seeking asylum came from outside Southeast Asia), the major multilateral effort at coordination was pursued through the Bali process rather than with ASEAN.
a contribution to the development of a peace process that led to the Paris Agreements, United Nations involvement and the redevelopment of an internationally accepted Cambodian state.

Australia’s interactions with ASEAN were a key issue in new avenues of cooperation in the wider East Asian and Asia-Pacific regions from the late 1980s. With the Asia-Pacific Economic Cooperation (APEC) grouping, Australia, acting with Japan, was able to develop a proposal for dialogue after gaining ASEAN’s acceptance of the concept, albeit with markedly less support from Malaysia. The decline of Cold War tensions after the demise of the Soviet Union facilitated cooperation between Australia and ASEAN on the development of a new security dialogue. In this case, ASEAN took the lead in developing what became the ASEAN Regional Forum (ARF). Australia went on to become a founding member with ASEAN of the East Asia Summit, after formally acceding to ASEAN’s Treaty of Amity and Cooperation.

In considering the themes and patterns in the relationship that were outlined in the Introduction, four stand out. First, the climate of relations among the major powers in Southeast and East Asia has clearly and understandably been a key influence on the character of Australia’s interactions with ASEAN. ASEAN was established in 1967 at a time of intense conflict in Indochina and there seemed little prospect of alleviation of major power confrontation. The period from 1972, however, was one where the advent of increased communication between the US and China and the withdrawal of US forces from Vietnam stimulated reassessments about how security in Southeast Asia could best be enhanced and about how Australia could seek to support this. In this period, Australia’s greater interest in ASEAN and the inauguration of multilateral relations under Gough Whitlam’s government was a significant part of this process. The climate of ASEAN relations was influenced strongly by the reassertion of Cold War tensions in the late 1970s as intensified competition between the Soviet Union and China ushered in 15 years of regional and international confrontation over Cambodia. Southeast Asia was again affected profoundly by the decline of Cold War tensions at the end of the 1980s, which opened up new opportunities for détente between the states of Indochina and ASEAN and between China and the members of ASEAN. The changed and comparatively more cooperative state of major power relations then facilitated initiatives by Australia with ASEAN over Cambodia and in the development of APEC and the ARF.
The climate of major power competition has continued to be a central issue and challenge for Australia–ASEAN relations as the discussion below suggests.

A second long-term theme in Australia’s approaches towards ASEAN since the 1970s has been an interest by successive Australian governments in fostering cooperation and reconciliation among all the states of the Southeast Asian region and in particular between the founding members and the states of Indochina, which could both enhance the security environment of Southeast Asia and reduce the avenues for major power interference and competition. In the early phase of its multilateral association with ASEAN, Australia from 1975 expressed interest in the potential for détente between the original ASEAN five and the regimes in Indochina. This interest was expressed by both the Whitlam and Fraser governments up to 1978, and was a significant motivation for the approaches towards the Cambodian conflict advanced by the Hawke Government after 1983. A further instance of this strand in Australia’s interactions with ASEAN can be seen in the case of ASEAN’s policies of encouraging wider international relationships for Myanmar after the 2010 elections and for the phasing down of the sanctions previously pursued by many Western governments: Australia supported ASEAN by using its diplomatic capacities to help advance ASEAN’s policies of supporting wider relationships for Myanmar both regionally and internationally.

A third long-term theme has been the diversity, pluralism and at times competition, in both Australia and Southeast Asia, in relation to conceptions of ‘region’ in which to pursue cooperation. Successive Australian governments have expressed strong interest in Southeast Asia, and since the 1970s ASEAN has been an obvious focus for this interest. However Australia has wanted to define other ‘regions’ as being of relevance and concern. The major wider focus pursued has been the conception of the ‘Asia-Pacific’, extending beyond Southeast Asia to encompass Northeast Asia and Australia’s ally, the United States (and potentially other parties in the Americas): APEC was a notable reflection of this focus. In the years since 2010, Australian policymakers have also discussed an additional regional identity,
the ‘Indo-Pacific’, a conception that seeks to take account of the rising prominence of India and the Indian Ocean, although the coherence and relevance of this ‘region’ is still in the process of being established.\(^3\)

Pluralism in defining regions appropriate for cooperation has also been evident in ASEAN and East Asia. ASEAN’s initial and principal focus has by design been Southeast Asia. ASEAN, however, has wanted to bolster its economic and security interests by engaging major external powers in dialogue. In the early 1990s, ASEAN sponsored the ARF whose regional scope included a wide range of nations across the Asia-Pacific, including the United States and India. ASEAN however has also at times pursued additional and different conceptions of ‘region’ for the purposes of cooperation. Many in ASEAN have supported a conception of ‘East Asia’ as a basis for cooperation and community-building; this concept was associated particularly with Malaysian Prime Minister Mahathir Mohamad from the early 1990s and was expressed after 1997 in the advent of the ASEAN Plus Three group, joining ASEAN with China, Japan and South Korea. The East Asia Summit was a proposal that emerged from the ASEAN Plus Three grouping and this initially also reflected an East Asia-focused conception of ‘region’. However, in the process of developing the East Asia Summit, amid contestation for influence between China and Japan, a majority of ASEAN members supported a wider membership than ASEAN Plus Three, to include India, Australia and New Zealand in 2005, and then in 2011 to include also the US and Russia.

This pluralism in conceptions of ‘region’ reflects the challenges of an environment of overlapping and competitive interests and at times of severe tensions among the major powers. In this environment, no individual major power would be acceptable to others as a sponsor or leader in regional institutions, especially in relation to security issues. Indeed, regional states and major powers have been prepared to see different groups with differing memberships operating in parallel, in patterns of ‘competitive regionalism’. This institutional pluralism has reflected the diversity of states and interests in East Asia and

the Asia-Pacific and has been a long-standing feature of regional cooperation, even if these arrangements can sometimes look ‘messy’ to other observers.⁴

The pursuit of differing conceptions of region has at times caused debate and tension in Australia–ASEAN relations. Australia has been closely interested in cooperation with ASEAN but has approached this both as an ally of the United States and as a country with deep economic and strategic interests in Northeast Asia, a perspective encouraging an orientation towards an ‘Asia-Pacific’ focus. Australia’s interests in Asia-Pacific cooperation have, however, sometimes not been welcomed by ASEAN members, sensitive about their hard-won regional identity being challenged or even supplanted by wider groupings. When Prime Minister Whitlam advanced his concept of an ‘Asia-Pacific forum’ in 1973, ASEAN responses were cool and Indonesian President Suharto was quick to indicate opposition to it in talks with Whitlam in February 1973. Even before Australia had a formal multilateral linkage with ASEAN, the Association was able to exercise an effective veto over an Australian policy initiative. When Australia was interested in advancing proposals for wider groupings at the end of the 1980s, ASEAN’s sensitivity about its corporate identity was again a significant issue and ASEAN exerted a major influence on how the new institutions developed. ASEAN’s concurrence and participation were vital to the successful inauguration of APEC and ASEAN itself assumed the leadership role for the ARF. In 2008, Prime Minister Kevin Rudd’s proposal for discussion about an ‘Asia Pacific Community’ was seen widely as a challenge to ASEAN’s profile and position. It was the East Asia Summit, an ASEAN-initiated grouping, which became the vehicle for bringing the US and Russia into an institutional leadership dialogue with ASEAN and Asian states. ASEAN has therefore been active in asserting and protecting its identity and Australia has needed to recognise this.

A fourth long-term theme in Australia’s ASEAN relations is that cooperation has worked best when Australia has been able to operate in collaboration with key members of ASEAN in developing policy initiatives. This has been understandably and particularly

important in relation to Indonesia. Because of its size and capacity for influence and leadership in Southeast Asia, Indonesia is an essential partner for Australia. Cooperation with Indonesia was at the centre of the Cambodian peace process diplomacy in 1989 and 1990. Indonesia played a major role with Australia in the advent and initial development of APEC and the ARF. Indonesia was a key supporter for Australia in gaining membership in the East Asia Summit. By contrast, when Australia has sought to pursue regional initiatives without Indonesia’s collaboration, or at least its acceptance, as in the case of Whitlam’s Asia-Pacific forum concept and Rudd’s Asia Pacific Community proposal, success has been less likely. The viability and health of the Indonesian relationship and Indonesia’s preparedness to collaborate with Australia have thus been vital for Australia’s capacity for multilateral access and cooperation.

In reviewing the pattern of Australia’s ASEAN relations since 1974, a further issue should be noted. Since the 1970s while there has been a change in the relative economic size and weight of Australia vis-à-vis the ASEAN members there has also been a very great broadening of Australia’s interactions with those members. In 1974, when multilateral relations were inaugurated, Australia’s economy was clearly larger than the aggregate of the then five members of ASEAN: Australia’s gross national product was assessed by the World Bank at around US$71 billion and the ASEAN aggregate was estimated at around US$61 billion. In 2014, ASEAN’s combined gross domestic product was significantly greater than that of Australia’s (Australian Government figures for 2014 were approximately US$1.5 trillion for Australia and US$2.5 trillion for ASEAN). While ASEAN’s membership has increased since the 1970s, this relative change is primarily a reflection of the successful advance of economic growth in the ASEAN region, a development that has been very much in Australia’s interests.

At the same time, the scale and breadth of interactions have expanded greatly. While relations were ushered in on a government-to-government level in 1974 by a small number of political leaders and

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Officials, interactions are now very wide. Immigration has brought large communities of peoples to Australia from Southeast Asia, with the 2011 census indicating that over 650,000 people claim Southeast Asian heritage. Links in education have meant there are deep connections across many sectors. Merchandise trade has increased 107 times since 1973–74 to reach a level of over A$100 billion in 2013–14 and trade with the ASEAN members has increased in relative significance for Australia. Relations that were initiated by a small number of officials and political leaders have also been advanced by non-governmental actors including academics, business groups and ‘second track’ dialogues such as those sponsored by the Council for Security and Cooperation in the Asia Pacific (CSCAP) and Asialink (University of Melbourne). Thus, while Australia’s relative economic size in relation to ASEAN has declined since the 1970s, interlinkages with ASEAN are far wider and deeper and the relationship matters more than ever.

Future issues and prospects

ASEAN, as we have argued, has been valuable to Australia for its contribution to stability in Southeast Asia, as a partner in areas of common interest and as a convener of forums that have provided regular dialogues for Australia with both regional states and major powers that it would not otherwise have. Australia at the Commemorative Summit in November 2014 reaffirmed its commitment to the relationship and its support for ASEAN’s ‘centrality’ in regional dialogues and

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7 In the period 1976–77, ASEAN members took 6.6 per cent of Australia’s exports and were the source of 4.1 per cent of imports, while in 2014, the figures were 11.4 per cent of Australia’s exports and 19.2 per cent of imports; see Clive T. Edwards, ‘Current Issues in Australian–ASEAN Trade Relations’, *Southeast Asian Affairs* 1979, Singapore: Institute of Southeast Asian Studies, 1979, pp. 30–1; and Australian Department of Foreign Affairs and Trade, ‘Association of Southeast Asian Nations (ASEAN)’, dfat.gov.au/international-relations/regional-architecture/asean/Pages/association-of-southeast-asian-nations-asean.aspx (accessed 1 October 2015).

institutional development. However, ASEAN’s ongoing success – and the potential for Australia’s relations with it – should not be taken for granted. In the future development of Australia’s relations with ASEAN, five factors are likely to be of particular significance.

First, ASEAN’s progress towards its declared goals for economic integration and security cooperation will be crucial. As noted in Chapter 4, the Association has committed itself to developing an ASEAN Community, which was inaugurated formally at the end of 2015, but whose goals are expected widely to need to be pursued well beyond that date. Considerable progress has been made in economic cooperation through the ASEAN Economic Community (AEC) project. Tariff barriers among members have been reduced substantially, customs procedures have been streamlined, cross-border flows of skilled labour in some sectors have been facilitated, the Master Plan on ASEAN Connectivity is in place and should help improve infrastructure and reduce business transaction costs, and disparities in income levels between richer and poorer members have been reduced. A number of businesses increasingly look at the ASEAN area as a regional market. However, the AEC project faces the persistence of many non-tariff barriers and of obstacles to services and investment liberalisation. While it was clear at the time of writing that all the goals of the AEC could not be met by the end of 2015, ASEAN would be able to declare that significant progress had been achieved and efforts at economic integration were set to continue beyond 2015.9

ASEAN’s Political-Security and Socio-Cultural Communities will be even longer-term endeavours. The Socio-Cultural Community can broaden and deepen interconnections across the immensely diverse ASEAN societies, but its goals cannot be realised rapidly.10 In the realm of security, ASEAN has been crucial in advancing communication and accord among its members and overt sustained conflict has never occurred. The Political-Security Community seeks to extend this

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process, but ASEAN members will continue to face challenges in maintaining regional order. Insurgent and separatist conflicts confront Myanmar, Thailand and the Philippines, despite efforts towards resolution. There has been sensitivity and tension in some interstate relations (for example, between Thailand and Cambodia, and Cambodia and Vietnam). ASEAN’s desire for a stable and manageable regional order will also be challenged by major power competition, for example in relation to activities in the South China Sea.\footnote{Christopher B. Roberts, \textit{ASEAN Regionalism: Cooperation, Values and Institutionalization}, Abingdon: Routledge, 2012, pp. 147–87; Donald E. Weatherbee, \textit{Indonesia in ASEAN: Vision and Reality}, Singapore: ISEAS Publishing, 2013, pp. 59–82.} The pursuit of a political and security community will thus need to extend well into the future.\footnote{Roberts, \textit{ASEAN Regionalism}, pp. 174–87.}

The ASEAN Community project is significant for Australia, which has benefited greatly from ASEAN’s success in dampening the bases for inter-state conflict. Further political and security cooperation in ASEAN would consolidate these benefits. Economic integration can enhance ASEAN’s value as a trade partner by making the market across the 10 countries both larger and easier to relate to. ASEAN’s claims to maintain ‘centrality’ in regional dialogue will be stronger if its progress towards its goals of integration is seen to be effective and this will be important for all its dialogue partners, including Australia.\footnote{Mely Caballero-Anthony, ‘Understanding ASEAN’s Centrality: Bases and Prospects in an Evolving Regional Architecture’, \textit{Pacific Review}, 27(4), 2014. See also the valuable discussion of ‘ASEAN centrality’ in See Seng Tan, \textit{Multilateral Asian Security Architecture: Non-ASEAN Stakeholders}, Abingdon: Routledge, 2016, pp. 18–40.}

A second and related issue for the future of Australia–ASEAN relations will be the climate and evolution of interactions among the major powers. ASEAN was established at a time of Cold War-era competition in Southeast Asia; the pattern of major power relations has been a key factor for ASEAN’s subsequent development and continues to exert pressure on the Association. This has been evident in relations among the three most important of these powers in East Asia – the US, China and Japan – where there has been both great economic cooperation and significant strategic tensions, especially between the US and China, and between China and Japan. These tensions deepened from 2009, and by 2015 pressures were if anything intensifying. China was...

Major power competition has also contributed to tensions in the South China Sea, where, as noted in Chapter 5, the pattern of disputes intensified after 2009. ASEAN has had great difficulty in responding. The open divisions at the Phnom Penh foreign ministers’ meeting in July 2012 illustrated the pressures ASEAN has faced. ASEAN in 2015 was continuing to pursue multilateral discussions with China about a possible code of conduct, but it was not clear if any progress could be made. The South China Sea issue has challenged ASEAN as a political community, given the differing strategic interests of members. Claimant states (particularly the Philippines and Vietnam) were much more affected by, and involved in, the issue than the non-claimants.\footnote{Ian Storey, ‘Disputes in the South China Sea: Southeast Asia’s Troubled Waters’, politique étrangère, 3, 2014; International Crisis Group, ‘Stirring up the South China Sea (III): A Fleeting Opportunity for Calm’, Asia Report No. 267, Brussels: International Crisis Group, 7 May 2015; Ian Storey, ‘ASEAN’s Failing Grade in the South China Sea’, Asan Forum, 31 July 2015.}

Increasing major power competition could undermine ASEAN’s capacity as a diplomatic actor. ASEAN has been able to claim a central place in regional dialogue and cooperation because no one major power has been in a position to lead and the competitive climate of major power relations has enabled ASEAN to operate and be accepted as sponsor and convener of East Asian and Asia Pacific security dialogues.\footnote{Caballero-Anthony, ‘Understanding ASEAN’s Centrality’.} However, heightened major power competition could damage ASEAN’s cohesion and reduce its room for manoeuvre. In particular, rivalry between the US and China will exert continuing
pressure on the states of Southeast Asia and could circumscribe ASEAN’s capacity to maintain an effective common strategic outlook and to operate independently between these powers.\textsuperscript{17}

A third and related key issue for Australia and ASEAN will be the prospects for wider multilateral dialogues to make substantive contributions to cooperation and security in East Asia. States in Southeast and East Asia have pursued cooperation through multiple groupings and this pluralism seems set to continue, as will contest between different conceptions of regional dialogues. ASEAN Plus Three, for example, is likely to continue to operate alongside the East Asia Summit. Economic and trade negotiations, as outlined in Chapter 5, have been conducted by different groups with differing memberships, notably through the ASEAN-sponsored Regional Comprehensive Economic Partnership (RCEP) and through the Trans-Pacific Partnership (TPP). China has, in addition, contributed to the array of multilateral cooperation avenues. In 2015, China established a new regional economic institution, the Asian Infrastructure Investment Bank, which will operate alongside the Asian Development Bank.\textsuperscript{18}

While pluralism in the range of institutions and cooperation dialogues seems set to continue, there may be potential for rationalisation among some of the major regional dialogues.\textsuperscript{19} A key issue is the character and role of the East Asia Summit and its relationships with other major dialogues. Australia for the past two decades has been involved in the development of ASEAN-sponsored forums beginning with the ARF and extending most recently to the ASEAN Defence Ministers’ Meeting (ADMM) Plus process. Australia has been a strong proponent of the highest profile of these groupings, the East Asia Summit, which has proceeded cautiously since its inauguration in 2005 and has operated with its expanded membership (with the US and Russia) only


since 2011.\textsuperscript{20} A significant question for both ASEAN and Australia is whether the East Asia Summit may be able to develop a more substantive role in promoting cooperation and security.

There are inter-related political and institutional questions about the East Asia Summit. As noted in Chapter 5, the Summit has begun to develop an identity and has pursued a range of cooperative projects, but the annual leaders’ meeting – the keystone of the Summit – is short and has had little organised institutional backup to support it or to help it pursue follow-up activities. The Australian Government has hoped to see the East Asia Summit advance its identity and role as a leaders’ meeting. Ideas for enhancing the role and capacity of the East Asia Summit have been proposed, notably in a memorandum issued by CSCAP in June 2014.

The CSCAP report (which was endorsed by a multinational panel of experts) advocated both strengthening the East Asia Summit and rationalising its roles, along with those of the ARF and ADMM-Plus. CSCAP suggested that the Summit could expand from its current limited duration (about three hours) to a full day. ASEAN could consider joint chairmanship of the Summit with non-ASEAN members, which would help give those members an increased sense of involvement in the Summit. Additional support could be provided to the Summit by an expanded ASEAN Secretariat. Communication and connectivity among the dialogues, CSCAP argued, could be improved, so that the Summit could focus on strategic direction, the ARF on structured security dialogue and the ADMM-Plus on practical security cooperation.\textsuperscript{21} The CSCAP proposals were a valuable contribution to the debate on regional institutions, especially given their endorsement by representatives from the Council’s membership across the Asia-Pacific region. At the time of writing, the proposals were being considered within ASEAN under Malaysia’s chairmanship in 2015 and were another notable example of the contribution to regional cooperation that have been made by non-official individuals and groups and in which Australians have been able to take part.\textsuperscript{22}

\begin{footnotesize}
\begin{enumerate}
\item Ibid.
\item CSCAP, ‘Towards an Effective Regional Security Architecture for the Asia Pacific’, CSCAP Memorandum No. 26, June 2014.
\item Ron Huisken and Anthony Milner, ‘On a Track to Regional Peace with CSCAP’, The Australian, 2 July 2014.
\end{enumerate}
\end{footnotesize}
The East Asia Summit could be better organised and supported. However its viability will still depend on the commitment of the participating states to help make it work. A further and highly significant issue for the Summit therefore is that its potential will be affected and constrained by the state of major power relations. In 2015, interactions among the major power members of the East Asia Summit were not propitious for the development of common endeavours. Relationships among the US and China and China and Japan were uneasy and levels of strategic communication and trust were not high. Relations between the US and Russia had also deteriorated in the wake of the political crisis in Ukraine from the first part of 2014 and by Russia’s annexation of the territory of Crimea, a step criticised sharply by the US. These issues posed major questions about the potential for the effective advancement of the East Asia Summit. Multilateral forums can provide valuable venues for building additional communication, alongside bilateral relations. However, without a greater degree of strategic accord among the major powers, the potential for substantive cooperation in multilateral forums like the Summit is likely to remain limited. As a founding member of the East Asia Summit, Australia has a strong interest in how the debates about the Summit develop and whether a consensus can emerge for adaptation and change.

A fourth key issue for the future of Australia–ASEAN relations is the character and evolution of Australia’s interactions with ASEAN as an institution. Australia is pursuing its ASEAN relations in an environment where other dialogue partners are active in their own multilateral relations with the Association, including China, Japan, South Korea and India. In this context it is important that Australia should maximise its efforts to bolster the profile of its engagement both within Australia and in ASEAN. By 2015, Australia was interacting regularly with ASEAN in many venues, headed by the annual Post-Ministerial Conference of foreign ministers. At heads of government level, ASEAN’s profile for Australia has been less prominent. The two sides up to 2015 held four leaders’ summit meetings (1977, 2004, 2009, 2015).
2010 and 2014). The holding of more frequent leaders’ meeting (every two years), which was foreshadowed at the 2014 Commemorative Summit, was agreed upon in August 2015, with the first of the regular meetings to be held in Vientiane in late 2016. This should advance the profile of relations on both sides and be a significant way of visibly increasing cooperation.

Australia’s relationship with ASEAN’s institutional structures is also important. A centrepiece of the institutional relationship, as noted in Chapter 5, is Australia’s multilateral assistance program with ASEAN (the Australia–ASEAN Development Cooperation Program), which is focused on the ASEAN Secretariat and has a particular emphasis on supporting the Association’s capacities for economic integration. This aspect of the Australia–ASEAN relationship is appreciated and valued by the ASEAN side. This is particularly the case because the Secretariat in Jakarta has operated with a limited funding base in which individual ASEAN members have paid the same annual contribution (towards the annual budget that in 2014 was under US$20 million) despite the obvious differences in wealth among them. The relatively small Secretariat has to manage hundreds of meetings annually and many complex cooperative programs. It has been argued that ASEAN will need considerably expanded resources for the Secretariat if it is to pursue its ASEAN Community cooperative plans effectively.25 ASEAN has been considering its own structures and how they may be enhanced through a high-level task force. A significant question will be whether a consensus will develop to give the Secretariat more resources, when there has been a long-standing tendency within ASEAN to maintain the Secretariat at a relatively modest size and to retain the principle of equality of the size of contributions. Australia can continue to develop ways of enhancing its assistance to the ASEAN Secretariat and to the Association’s integration projects and this can provide further relevant support to ASEAN when its administrative resources are stretched and add further depth to the Australian relationship.

There are additional steps that Australia could take to maximise the potential for the ASEAN relationship. The New Colombo Plan is a positive addition to Australia’s basis for interaction with ASEAN and

with Asia overall. The long-term benefits of this plan can be enhanced by further support in Australia to the education sector to encourage language and non-language studies of the ASEAN members. Australia could also raise its own profile in the ASEAN region through expanded use of the Special Overseas Visitors Program to increase dialogue between public and private sector policymakers from ASEAN and relevant sectors in Australia. In addition, Australia could make a more concerted effort to raise the attention given to ASEAN in Australia; the Australia–ASEAN Council, which was inaugurated on 8 September 2015 with the goal of initiating and supporting activities designed to enhance awareness, understanding and links between people and institutions in Australia and the 10 ASEAN countries, can make a valuable contribution to this process.

A fifth key issue is Australia’s relationship with Indonesia. While all of the bilateral relationships support the multilateral association, the Indonesia connection has been integral to Australia’s interactions with ASEAN. Indonesia’s support has been crucial on a number of occasions in assisting Australia to gain acceptance in regional dialogues and to facilitate Australian policy initiatives, including the particularly close cooperation during the Cambodian peace process, and the development of APEC, the ARF and the East Asia Summit. It was noted in Chapter 4 that the improved climate in bilateral relations after 2002 (in which cooperation on counter-terrorism issues was a central element) played a major role in the revival of progress in Australia’s multilateral relations with ASEAN.

While relations developed substantially in the decade of the Susilo Bambang Yudhoyono administration (2004–14), the potential for discord continues. There are ongoing problems of comparative lack of trust on both sides and the efforts made in advancing official dialogues has not been matched by the development of accord at the

level of popular opinion.29 The health and viability of this bilateral relationship will remain crucial for productive Australian interactions with ASEAN.30

Since the 1970s Australia has gained great benefits from ASEAN’s contribution to stability in Southeast Asia. Australia and ASEAN have been able to work together on many problems of common concern to advance security. Australia has supported strongly ASEAN’s dialogue processes involving the major powers in East Asia and its associated groups including the ARF and the East Asia Summit. Economic growth has broadened the basis for Australia’s engagement with the ASEAN region. ASEAN’s programs for deeper integration can add to the basis for Australia’s regional political and economic involvements. Australia therefore has a major stake in ASEAN’s capacity to achieve its declared goals and in the contribution that the relationship can make to enhancing prosperity and security for all.
