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34th ASEAN Summit & Thailand: Headway or Uncertainty?

By Kaewkamol Pitakdumrongkit

SYNOPSIS

The just-concluded 34th ASEAN Summit in Bangkok showed some progress in ASEAN cooperation and integration, but certain challenges remain. Thailand's internal politics will determine the country's next foreign minister; this will have a bearing on the upcoming 35th Summit in November.

COMMENTARY

THE 34th ASEAN Summit which wrapped up on 23 June 2019 under the chairmanship of Thailand was held against the backdrop of rising uncertainties and international tensions. It was marked by increasing global protectionism, the US-China trade war, high seas incidents, and the situation with regard to the Rohingya issue and Myanmar's Rakhine State.

The Chairman's Statement revealed several instances of progress. For example, the Summit endorsed the ASEAN Leaders' Vision Statement on "Partnership for Sustainability" committing their governments to achieve sustainability in areas ranging from security to economic development. But Thailand's chairmanship of ASEAN this year is also being marked by the domestic politics of the country which just went through a fractious general election. Who will be Thailand's next foreign minister will affect the country's leadership of ASEAN for the year ahead.

Domestic Politics and ASEAN Chairmanship

Like the 34th Summit, the next gathering of ASEAN leaders scheduled for November will again be hosted by Thailand, the current ASEAN Chair. Many observers are wondering how the country's domestic dynamics will affect Thailand's chairmanship and the 35th ASEAN Summit.

In the general election in March, the pro-junta Pralang Pracharat Party won the popular vote; it was able to form the government which eventually chose General Prayuth Chan-Ocha as a non-parliamentarian prime minister.

While Prayuth has been confirmed as prime minister, he has yet to form his new cabinet. His current team coordinating the 34th ASEAN Summit is actually the one from the junta era. Prayuth's government currently consists of 18 political parties and bargaining for cabinet seats has been intense.

Prayuth has publicly admitted the escalating tensions among the coalition parties. As a result, the jury is still out on who will be selected as the next Thai foreign minister.

This is a big issue. The new head of the Ministry of Foreign Affairs will to some extent affect Thailand's Chairmanship and the next ASEAN Summit. It is because the ministry not only plays a key role in setting the agenda and organising the event, but also in bolstering the country's leadership to push forward certain regional initiatives and Thailand's national interest.

Assessing the Outcomes

For example, ASEAN member states welcomed the establishment of the ASEAN Centre for Sustainable Development Studies and Dialogue (ACSDSD) in Thailand "as a concrete step to steer sustainable development cooperation in ASEAN". This reflected the regional grouping's continuing commitment to foster the ASEAN Community. It is also consistent with the pursuit of economic integration in a way that aligns with the United Nations' 2030 Agenda for Sustainable Development.

An experienced incoming Thai foreign minister will enable Thailand via its Chairmanship to play an influential role in making the Centre a relevant entity advancing sustainable development. In contrast, an inexperienced minister may not be able to do so, leaving the ACSDSD a symbolic ASEAN gesture at best.

Secondly, an experienced Thai foreign minister could bolster the Chairmanship of Thailand, allowing it to play a key role in advancing the goal of promoting sustainable infrastructure in the region. At the recent Bangkok Summit, the Leaders welcomed the progress of implementing the Master Plan for ASEAN Connectivity 2025 aimed at creating a seamless and competitive ASEAN Community.

They also stressed the importance of creating synergies between ASEAN's regional and sub-regional initiatives as well as those advanced by players outside the region. A strong Chair can help ASEAN identify the areas where the synergies can be fostered and augmented, and persuade the involved stakeholders to implement policies to enhance such synergies.

Moreover, it remains to be seen how ASEAN's Indo-Pacific stance is reconciled with the grouping's principles namely ASEAN centrality, inclusiveness, complementarities, a rules-based order anchored upon international law, and commitment to advancing economic engagement in the region.

An experienced Thai foreign minister will enhance Thailand's Chairmanship, allowing it to effectively urge ASEAN and non-ASEAN players to work together in carrying out cooperation projects amid external moves to promote the Indo-Pacific outlook.

RCEP's Prospect under Thai Chair

Another area where a strong ASEAN Chairmanship is needed is the Regional Comprehensive Economic Partnership (RCEP), a free trade agreement (FTA) being negotiated among 10 Southeast Asian states and 6 ASEAN Dialogue Partners (Australia, China, India, Japan, New Zealand, and South Korea).

Its core objective is to consolidate five existing ASEAN+1 FTAs into a single contract which will further deepen transnational supply chains augmenting international trade and investment ties. If concluded, this bloc will cover about 50% of the world's population and 40% of global trade and enable these economies to manage the uncertainties and ameliorate the impacts of the US-China trade war.

While the Southeast Asian leaders' exhibited commitment to the RCEP's realisation, critics argue that the prospect of wrapping up the giant FTA by the end of this year is slim due to the negotiating parties' different stances and preferences. For instance, Australia and New Zealand preferred building in greater environment standards and labour protection. India feared that its market opening will place its firms at a disadvantage in competing with Chinese businesses.

The rules of origin and trade in services remain sticking points in the negotiation. However, we must not forget that strong leadership has proven to be a determining factor in sealing such difficult deals. The previous US' leadership in Trans-Pacific Partnership (TPP) and Japan's leading role in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) are cases in point.

Therefore, an experience Thai foreign minister will likely be able to skillfully find common ground and reconcile differing interests among the stakeholders, hence increasing the chance of the RCEP's conclusion before 2019 ends.

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