



**ISTANA ISKANDARIAH
KUALA KANGSAR**

**KEYNOTE ADDRESS
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**AT THE
ASEAN – AUSTRALIA DIALOGUE 2018:
CHALLENGES OF PARTNERING FOR SECURITY AND
PROSPERITY IN UNCERTAIN TIMES**

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“ASEAN and Asia Pacific: Peace and Prosperity”

1. It is a great pleasure to be in this iconic city on the occasion of the ASEAN-Australia Special Summit. It is also a privilege to be invited to address this Dialogue and to be among such distinguished participants and friends.
2. Sydney is a strikingly beautiful city, and has been ranked by world travellers as one of the 30 most beautiful cities of the world. This is according to Ranker, the leading digital poll company that has 49 million visitors a month. I was rather amused though, to note that they described the location of Sydney as in “Oceania, Pacific Ocean, World Ocean”. Ranker, incidentally, is an American company.
3. I have been asked by our hosts to provide an ASEAN perspective on current challenges confronting the region, and to discuss ASEAN’s role in addressing them.



4. The “official” ASEAN perspective can of course be gleaned from the official statements and communiqués that are issued after high-level meetings. Such pronouncements however tend by nature to be rather pithy. They are sometimes also couched in opaque diplomatic language. They can gloss over complex issues, and choose not to make public that which governments may consider too sensitive.

5. A deeper appreciation of the ASEAN perspective requires further reflection. It is here, perhaps, where I can be among those who contribute. I speak strictly in my personal capacity.

6. ASEAN’s perspectives and positions on regional and global issues are conditioned and influenced by several factors. I want to cite five which I think are among the more important ones.

7. The first is geography. ASEAN embraces a vibrant region of ten countries and 650 million people. By comparison, the European Union has 28 member countries and a population of 512 million. The Pacific Islands Forum, consisting of 18 member states, has a population of 41 million.

8. Southeast Asia lies between two great oceans, the Pacific and the Indian. It is flanked by two large and resurgent powers, China and India.



It straddles strategic maritime routes that are of vital interest not only to the regional states, but to all trading nations, not least Australia. Half of the total annual seaborne trade tonnage of the world passes through the Malacca Straits and the Sunda and Lombok Straits.¹ To the northeast lies the South China Sea, another maritime area of great strategic importance.

9. ASEAN's geographical position gives its members many benefits. It is an integral part of the geo-economic moment that East Asia is currently enjoying. But it also calls for the organisation to be adept at navigating between the competing vested interests of the big powers. The competition is now sharper as China's strategic weight increases in the Asia Pacific region. ASEAN's cohesion could be tested as big powers collide.

10. The second factor is history. As in many other parts of the world, the region's kingdoms and territories often warred with one another in the past. Almost all of Southeast Asia has paid tribute to China. We then lost our sovereignty for several centuries to Western colonial powers. Finally, we were invaded and then occupied for several years by an Asian power during the Second World War.

11. When we regained our sovereignty from the colonial powers, we found ourselves in different configurations. In some cases our

¹ Estimated at almost half in 2010 by the UNCTAD Review of Maritime Transport 2011.



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demographics were much altered too. Beginning only about half a century ago, many of us had to re-define ourselves as states, and re-build ourselves as modern, independent nations. At the same time, we had to contend with insurgencies at home. The region was not insulated from the Cold War, and a very hot war raged in what was then Indochina. Insurgencies continue to afflict three ASEAN countries to this day.

12. The situation has stabilised greatly since then. Southeast Asia has become one of the most peaceful regions of the world. The countries are busy becoming part of the East Asian economic miracle. They are much more resilient than in the past. But nation-building is still a work in progress in much of the region.

13. Given this history, it can be understood if the countries of ASEAN emphasise national stability, economic growth and a peaceful environment in their perception of the current challenges confronting them. They can be excused if they are somewhat touchy about national sovereignty, non-interference in internal affairs, and external aggression. Or if they would prefer their region to be insulated from major power conflicts, and avoid getting entangled in them.

14. The third factor is anatomy. Perhaps more than other regions, Southeast Asia is a region of diversity and contrast. The ten countries



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differ in size and population from among the largest in the world to among the smallest. The people are of varying ethnicities, languages and faiths. ASEAN is diverse politically and economically as well.

15. Political systems range from absolute monarchy to socialist systems and democracies. There are big differences in economic structure and wide gaps in income and human development. The average person in Singapore is more than 50 times wealthier than a person in Cambodia and Myanmar. Brunei is the fourth richest country in the world in GDP per capita PPP terms, but its economy is only one-hundredth the size of Indonesia's.

16. ASEAN therefore has its work cut out, if it is to realise its goal of becoming a more democratic Political and Security Community, a more integrated Economic Community, and a flourishing Socio-Cultural Community. But even these challenges, great as they are, cannot mask the impressive progress that has been achieved in the ASEAN journey.

17. Unlike the European Union, ASEAN does not discriminate against any political system for membership. If it had, it would have struggled to get off the ground in 1967. Not all of the five founding members were democracies. If ASEAN had been selective of political systems, it would have been impossible for the ASEAN Five to gradually expand to



become the ASEAN Ten. Regional security and prosperity through cooperation was the overriding consideration, not politics.

18. ASEAN is ten dynamic markets in one. Each has great potential and offers its own attractions to the investor. Collectively among the ten economies, real GDP grew 5.1 percent annually between 2000 and 2013. ASEAN is the sixth-largest economy in the world, with a combined GDP of US\$2.55 trillion. By 2050 it is forecast to become the fourth-largest economy.

19. ASEAN's regionalism model is consistent with the potentials and limitations imposed by the nature of its anatomy. It welcomes all political systems, yet supports a more democratic culture across the region. It seeks to advance collective interests, but allows members to move at a pace suited to their level of development. It embraces different economic systems, but promotes market economies that engage vigorously in the open international trading and investment system. An important priority for a more integrated regional economy is to narrow income and development gaps.

20. ASEAN's inclusive, pragmatic and progressive political and economic principles of regionalism influences its perception and approach towards issues in the wider Asia Pacific region. The model has



enabled ASEAN to be acceptable as the hub for wider platforms for political, security and economic cooperation in the Asia Pacific region.

21. The fourth factor is the importance of national endeavour. ASEAN represents a more diluted form of regionalism than that of the European Union. It is not a supranational entity and it is unlikely to become one any time soon. The centre of gravity for authority within ASEAN is tilted towards the member states. In the European Union, it is tilted more towards the governing EU institutions. ASEAN's dynamism, effectiveness and ability to deliver therefore depends very much upon the drive and disposition of the member states.

22. ASEAN works best when member states are at peace with themselves, and are not distracted by domestic matters. The organisation can be more able and nimble when at least some key leaders can provide leadership and initiative. It can also be more united and cohesive, when members are not susceptible to divisive pressure from outside powers. Regional resilience ensues from national resilience.

23. ASEAN's finer moments in the past were when some of these conditions were met. Its constructive and sustained role in helping resolve the Cambodian conflict is a case in point. ASEAN's signature instruments such as the ASEAN Declaration of 1967, the Treaty of Amity



and Cooperation of 1976 and the ASEAN Charter of 2007 were all the product of such conducive circumstances. ASEAN's landmark initiatives such as the ASEAN Regional Forum, the ASEAN Plus Three process, and the East Asia Summit were also the fruits of similarly enabling environments.

24. The fifth factor conditioning ASEAN's perspectives and responses is the organisation's constitution, and the ASEAN culture of peace-building. Challenges will be recognised and responses considered based on the purposes for which ASEAN and its various bodies, platforms and forums were created. These include the ASEAN Summit, the ASEAN Foreign Ministers' Meeting, the ASEAN Economic Ministers' Meeting, the ASEAN Regional Forum and the East Asia Summit.

25. The ASEAN culture of peace-building has been fostered over decades, and has some unique features. Where it draws on the principles and norms of peace and conflict management, as articulated in ASEAN's basic documents such as the ASEAN Charter and the Treaty of Amity and Cooperation, it does not differ much from the principles and norms of international law, expressed in instruments such as the Charter of the United Nations.

26. Importantly though, ASEAN's culture of peace-building also draws inspiration from the Indonesian principles of *musyawarah* (consultation)



and *muafakat* (consensus). These indigenous principles have become ASEAN's own. The emphasis is thus on mutual consultation and consensus building as the preferred methods for managing disputes and moderating differences. This has made a preference for pacific and consultative approaches to peace-building, rather than adversarial approaches, a distinct characteristic of ASEAN's response to conflicts in the region.

27. ASEAN members view security as being comprehensive in nature. It covers domestic and external threats, along with challenges to security of the person, society, economy, state and environment. Long before the term "non-traditional security" was added to the lexicon of security, to cover the so-called "new" threats such as terrorism and piracy, it was already a part of the comprehensive security perspective of the ASEAN countries. Terrorism or piracy is not something new to them. Many of them lived with terrorism for many decades in the last century. Piracy is ancient.

28. ASEAN is staunch in its commitment to and support for international law and the United Nations Charter. It is firmly committed to a rules-based order. It renounces aggression and the threat or use of force in any manner inconsistent with international law. It eschews military alliances and militant diplomacy. It does not favour coercive measures, interference in internal affairs or regime change. It believes in



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the patient pursuit of trust building and preventive diplomacy, and in peaceful resolution of disputes.

29. I am sure that ASEAN's approach is not perfect, and nor will it be able to solve all problems quickly and neatly. But it is far preferable to coercive diplomacy, and hasty resort to military force. The latter has only brought utter destruction and profound misery, at colossal cost, to other parts of the world.

30. ASEAN's approach is eminently suited to its modest capacity and attributes as a middle power in the region. ASEAN's writ, as defined in its Charter, is Southeast Asia. Beyond Southeast Asia, it works with other countries to promote mutual peace and shared prosperity. ASEAN brings a precious gift to the Asia Pacific community that no other entity has been able to - it offers a platform for quiet dialogue and consultation to all countries in the region, irrespective of political ideology and security alignment.

31. Let me turn now to the challenges in our region and my understanding of ASEAN's response.

32. ASEAN's immediate interest of course, is the comprehensive well-being of its own region. At its most recent Summit in November last year, ASEAN committed itself to giving more substance to the ASEAN



Community, in the context of the ASEAN Community Vision 2025, and the blueprints of its three pillars. The ASEAN Community Vision 2025 is to be implemented in tandem with the United Nations 2030 Agenda for Sustainable Development. Its focus is similarly on human development, in keeping with the organisation's people-centred emphasis.

33. ASEAN also continues to focus on other critical areas that will enhance its effectiveness and relevance, as well as advance its agenda for peace. These include plans to strengthen its institutional capacity, including the Secretariat, and review its organs; preparatory steps to review the ASEAN Charter that was adopted in 2007; the mainstreaming of human rights; the pursuit of the full implementation of the Southeast Asia Nuclear Weapon Free Zone, and the exclusion of all other weapons of mass destruction from the region; measures to counter terrorism and violent extremism; and the strengthening of cybersecurity, which has emerged as the latest frontier for inter-state rivalry.

34. On the economic front, ASEAN continues to focus on efforts to enhance intra-regional trade; promote intra-ASEAN investment and FDI; increase women's participation in the economic sector; strengthen regional economic integration through the conclusion of the Regional Comprehensive Economic Partnership; and other measures to develop ASEAN's economic resilience and competitiveness.



35. Southeast Asia is one of the world's most disaster-prone areas. Improving disaster management and response accordingly continues to be a priority area for ASEAN. Cooperation continues among member-states to address pressing humanitarian issues of women's and children's rights, education, rural development, and poverty eradication. The recurrent problem of haze and trans-boundary pollution, and better protection of the environment also remains of sustained and profound interest to ASEAN.

36. The massive refugee exodus of more than 600,000 people from the Northern Rakhine State is one of the largest humanitarian crises confronting the region and the world. It is not the first major crisis of its kind for Southeast Asia. The Indochina refugee crisis, some decades ago now, involved more than three million people.

37. Some international organisations and observers have expressed disappointment with ASEAN's handling of what they call the Rohingya issue. They are dismayed that the organisation has apparently failed to fully engage with the Myanmar government on the alleged "ethnic cleansing" and humanitarian disaster that is occurring. United Nations Secretary General Antonio Guterres has described the situation as "catastrophic."



38. ASEAN has however discussed the Rakhine State problem extensively in several forums at the highest levels. The Chairman's Statement of the ASEAN Summit in November last year was quite explicit, even though it concerned a sensitive internal matter of a member state. The Statement urged Myanmar to continue to implement the recommendations of the Advisory Commission on Rakhine State. The Leaders further:

“...welcomed the commitment by Myanmar authorities to ensure the safety of civilians, take immediate steps to end the violence in Rakhine, restore normal socio-economic conditions, and address the refugee problem through verification process. They expressed support to the Myanmar Government in its efforts to bring peace, stability, rule of law and to promote harmony and reconciliation between the various communities, as well as sustainable and equitable development in Rakhine State.”

39. I do not think an ASEAN Leaders' Statement could be any more candid. Nevertheless, given its constitution and limited capacities, ASEAN can only be one of several parties necessary to contribute to a satisfactory resolution of the Rakhine problem. The United Nations, the ASEAN Regional Forum, Bangladesh, non-government organisations and most importantly Myanmar itself, all have a critical role to play.



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ASEAN however must continue to be seized of the matter. It is a humanitarian crisis of acute proportions that involves one of its own.

40. The Asia Pacific region is largely stable and peaceful. This is in sharp contrast to the violent and volatile scenes occurring in West Asia, parts of Eastern Europe and parts of the African continent. East Asia is also where some of the most dynamic economic growth and rapid advances in human development are taking place.

41. It is an enviable situation, one to be valued highly and tended to judiciously. It calls for any challenges to security to be managed wisely, giving due regard to each other's legitimate interests, and avoiding actions that can destabilise the situation. The logic for this is all the more compelling in the globalised, interconnected world that is our home.

42. The countries in the region have numerous direct bilateral channels as well as sub-regional and regional forums through which to confer and promote cooperation. There are also Track Two networks where frank discussions take place. The various ASEAN-centred and ASEAN-led forums and platforms are a prominent part of this regional architecture.



43. Foremost is the ASEAN Regional Forum, that was launched almost a quarter century ago. All the major and lesser powers of the region, and a number of parties beyond, are participants. The ARF is specifically committed to confidence building, preventive diplomacy and eventually to assist in conflict resolution if required. Australia is a dedicated participant of the Forum.

44. There has been intense activity in the ARF and in other forums. Issues addressed include non-proliferation and disarmament, counter-terrorism and violent extremism, the South China Sea and the Korean Peninsula. They have no doubt contributed to better engagement among countries in the region. Yet on at least two issues critical to regional security, the ASEAN-centred architecture has not been able to play a more meaningful role. These are the relations among the major powers, and the situation affecting the Korean Peninsula.

45. The world is witnessing a historic power shift from a unipolar to a multipolar balance. It threatens to unleash another Thucydidian clash of ascendant and reigning powers. Economic power is becoming more diffused. For the foreseeable future though, military power remains firmly with the United States, buttressed by its allies.

46. Nevertheless, where the major centres of competing military power rub against each other, the competition is becoming sharper and more tense. One such centre is the Asia Pacific theatre, where a resurgent



China is seeking to re-assert its strategic presence in the face of dominant US and allied power.

47. The competition between the United States and China has been building up over the last decade as the global geo-economic balance began to shift from the United States to China. The attendant increase in China's strategic reach and military capabilities was seen by Washington as capable of undermining the pre-eminence of US power in the region. The US responded with its pivot or re-balance strategy that also connected with its allies in the region including Australia.

48. Various competing developments since then have reinforced each other and worsened the situation. China has strengthened its position in the South China Sea, both to reinforce its claims as well as to enhance its military capabilities against what it sees as US containment of China through the First Island Chain strategy. China's assertive actions have in turn raised concerns in the region. The United States has further strengthened its alliances and strategic partnerships in what it and its allies call the Indo-Pacific region. "Freedom of navigation" patrols have increased. And Japan has also raised its strategic profile in Southeast Asia, and made no secret of the fact that this is in response to China's perceived assertiveness.



49. China's ambitious Belt and Road Initiative is the largest infrastructure project launched by a single country in history. It traverses more than 68 countries by land and by sea. Its primary goal is economic, and it seeks to benefit all the participating countries besides China. They include countries in Southeast Asia.

50. China's initiative brings great strategic reach and stature to China. This has again raised concerns among some countries that are apprehensive of China's growing influence. They include the United States, Japan, India and possibly Australia.² The four countries are reportedly mulling an alternative joint infrastructure plan. If such a plan materialises, it will bring even greater benefit to countries of the region, unless they are obliged to choose between the two plans.

51. What has raised concerns sharply in the region, however, are a number of more recent steps that have been taken by several big powers. The United States' unclassified version of the National Defence Strategy released in January, elevates inter-state rivalry as its primary security concern instead of terrorism. Besides what it calls the "revisionist powers" China and Russia, the "rogue regimes" of North Korea and Iran are fingered as the primary competitors. The Strategy also asserts that the country is being confronted with increased global disorder and deterioration of the "rules-based international order." The

² <https://economictimes.indiatimes.com>, www.business-standard.com



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United States sees itself as being challenged in every domain in an “increasingly complex security environment”. The country promises a “more lethal, resilient and rapidly innovating Joint Force,” that will sustain a favourable power balance in concert with a strengthened web of allies and partners. The objective, the document proclaims, is to “safeguard the free and open international order”.

52. The Nuclear Posture Review made public last month stoutly defends the United States’ nuclear arsenal as an essential deterrence against both nuclear and non-nuclear attacks. Nuclear weapons capability is deemed necessary in a deteriorating security environment in which Russia and China are also enhancing their nuclear arsenals, and North Korea has developed a nuclear capability. The U.S. will sustain and modernise its nuclear weaponry, while continuing to check nuclear proliferation by other countries under the Nuclear Non-Proliferation Treaty. Nuclear weapons now have an expanded role in U.S military doctrine. Low-yield weapons will be developed to provide more flexibility.

53. Various other developments involving the big powers have also stressed the security environment further. China continues to enhance its military capabilities in the South China Sea. Progress is slow on finalising the Code of Conduct. Japan is reviewing Article 9 of its constitution. It has taken a strong position in support of freedom of navigation, and has increased its profile in Southeast Asia as well. The



United States, Japan, India and Australia have revived the idea of a Quadrilateral Security Dialogue, first mooted in 2007. One of the proposals for the Quad of democracies is for the three other countries to join the United States in conducting freedom of navigation and overflights in the South China Sea.

54. An aircraft carrier, the USS Carl Vinson, visited Vietnam earlier this month (5-8 March). It is the first time since the end of the Vietnam War more than 40 years ago that a U.S. carrier has visited the country. The British anti-submarine frigate HMS Sutherland is set to sail through the South China Sea this month. France and Japan are planning to hold joint military exercises in the “Indo-Pacific”.

55. The unfolding scenario of mounting rivalry and competition between China on the one hand and numerous other powers led by the United States on the other is unlikely to lead to war, except perhaps by accident. But the situation is extremely unhealthy for the peace and stability of the Asia Pacific region. When big powers are on a collision course there is little lesser powers can do to avert disaster. Even the United Nations, which was created to prevent war, is virtually impotent.

56. The infrastructure for security cooperation convened by ASEAN will continue to provide multiple bilateral, sub-regional and regional channels and platforms for confidence building and preventive diplomacy. The big powers and their allies also have other direct as well



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as multilateral channels at the global level to moderate differences and preserve peace. But much will depend ultimately on self-restraint and readiness for pragmatic accommodation.

57. The best outcome would be for resident powers to concede some space at the table for rising powers. Prospects may become brighter if adversarial military alliances could morph into more inclusive and cooperative security arrangements that bind friends and foes alike, in pursuit of mutual peace. Such a collaborative structure would be more in consonance with a globalised world, where security is indivisible and not zero sum. Ideology need not be an obstacle. Some of the United States' closest allies in West Asia are not democracies.

58. The latest developments on the Korean peninsula have been nothing less than dramatic. Events of potentially historic significance that were once considered by many to be virtually impossible are taking place. North Korea has indicated to the South that it is prepared to engage in talks with the United States, and denuclearise if the military threat to it is removed and its security can be assured.

59. Nuclear and missile tests will be suspended while diplomacy is given a chance. Plans are also being made for a summit between the presidents of the two Koreas next month, followed by a meeting between Kim Jong Un and President Trump. In the meantime, the North has



apparently said that it understands if the joint military drills between the United States and South Korea that had been suspended for the Winter Olympics cannot be postponed again and have to proceed.

60. If all proceeds smoothly, and peace can be restored to the Korean peninsula, an end to the 65-year stand-off could at last become a reality. The security environment in Northeast Asia would be radically altered, and major strategic adjustments would have to be made by the two Koreas, the United States and Japan. The greatest beneficiaries would be the Democratic People's Republic of Korea and its people, who have endured so much suffering for so long.

61. Combatting terrorism and violent extremism is high on the agenda of the Asia Pacific regional security architecture. Australia and ASEAN are staunch partners in this effort. We confront the same menace.

62. ASEAN is committed to what it calls a whole-of-nation effort in this endeavour. It involves the use of relevant economic, social, political and security measures to neutralise and eliminate the threat at the national, regional and international levels.

63. Most of the terrorist organisations today involve Muslims. This has been the situation since the beginning of this century following the turmoil in West Asia. The archetypes are Al Qaeda and Daish. But this



has not always been the case. Indeed, in earlier periods, the landscape of terrorism was dominated by movements involving for example, the Irish, the Tamils and communists.

64. None of them however, have identified themselves as closely with a religion as many of the terrorist groups involving Muslims do. Daish even claims it wants to establish a Muslim caliphate.

65. Identifying terrorism with Islam the religion, however, would be a grievous mistake. There cannot be “Islamist terrorism.”³ It is in fact a direct contradiction in terms, as “Islam” means peace. Peace and terrorism do not go together. Terrorist groups identify themselves with Islam only because they seek to corrupt the teachings of Islam to serve their evil cause.

66. Islam is a guide not only for the afterlife, but for conduct in this life as well. As it emerged out of the crucible of conflict and tribal warfare, it therefore prescribes rules of engagement. These rules are strikingly similar to modern international law and humanitarian law. Islam allows for the taking up of arms in defence of self, family and progeny, property and territory. This is why many Muslims in zones of conflict like Iraq, Afghanistan and Syria and Muslims elsewhere, who are moved by the death and destruction they witness, enlist to fight in the name of Islam.

³ Australia’s 2017 Foreign Policy White Paper for example, uses the term “Islamist terrorism”.



67. Terrorists who target civilians seize upon this permissibility to take up arms to commit terrorist acts in conflict-affected areas as well as in other countries, especially those they think are implicated in the attacks on Muslims. But they commit their despicable acts in violation of the strict rules of conduct and prohibitions in Islam.⁴ The religion forbids the killing of children, women, the elderly, the sick and those in places of worship. It prohibits the destruction of inhabited places, villages, towns and cultivated fields. And it asks that captives be freed, the hungry be fed and the sick be visited.

68. In combatting terrorism, it is therefore vital to counter the terrorists' twisted narratives. But it is also vital to address the root factors that led to violence in the conflict zones and the terrorist acts committed in other countries.

69. ASEAN looks forward to working with all its Dialogue Partners to implement our common agenda for greater peace and prosperity in the region. Australia is one of our most valuable and committed partners in this enterprise. We collaborate on a broad spectrum of important areas. We share many values and principles. We confront common challenges and we are committed to the same goals. We all want the same rules-based order, grounded in international law and an open trading

⁴ www.muslimmemo.com, www.1000gooddeed.com



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system. We are all similarly apprehensive of strong protectionism and the pursuit of narrow national interest. We all believe in multilateralism and effective institutions for regional cooperation, based on dialogue and mutual accommodation. And we are all against the use of force, except as a last resort to respond to clearly evident threats.

70. This Dialogue, the Special Summit between Australia and ASEAN, and the associated meetings that will be held in Sydney are occurring at an opportune time. They represent ideal opportunities to elevate our close Strategic Partnership to the next level.

Thank you.