

## **Maritime Security in Southeast Asia: Issues and Perspectives**

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In today's Southeast Asia we are witnessing the emergence of a post cold war order. The region is so diverse in history, culture, religion, colonial heritage and ethnicity that the new regional structure has taken a long time to evolve and is still evolving. There are many new issues and varied perspectives. The final shape of the post cold war system depends not only on the states in the region but also on the policy and role of major players from outside of the region, especially the US, Japan and China. At present, at least three trends can be identified: In terms of security matters in general and in maritime security in particular, the region is evolving from a cold war structure to a multilateral framework; from overall military and ideological concerns to economic concerns; and from a preoccupation with conventional security to a focus more on comprehensive security. There are changing threats and perception of threats of security. Some of the changes are still very volatile and in flux.

### **Towards a Multilateral Framework**

At the end of the Cold War, the states in the region launched a series of multilateral initiatives in order to bolster their national security and stability. APEC was launched and ASEAN was re-vitalized. The membership of the latter was expanded to include the Indo-Chinese states of Cambodia, Laos, Myanmar and Vietnam. While ASEAN is a far cry from the European Union, it does provide a somewhat collective identity and a loose working framework for the Southeast Asian states ASEAN provides a forum for dialogue not only among its member states but also between its members and non-member states. For example, it engages the major countries in its vicinity, namely Korea, Japan and China in the ASEAN+3 framework. In the field of security, the ASEAN Regional Forum (ARF) goes beyond these three East Asian countries. There are altogether twenty-two nations, including the United States, Russia, Canada and India, to discuss regional security issues. Although it is often criticized as merely a "talk shop," ARF remains the only Track One security forum in the Asia-Pacific region. On the Track Two (or more precisely Track 1.5) level there is the Council for Security Cooperation in the Asia Pacific (CSCAP) and its Maritime Working Group. The September 11 terrorist attacks added new impetus to multilateral cooperation among ASEAN military forces. The second annual ASEAN Chiefs of Armies Multilateral Meeting held in early November 2001 agreed for the first time to coordinate anti-terrorist activities through exchanges of information and the setting up of special organizations and communications

against cross-border crime. (Bangkok Post Nov.20, 2001 pp. 3 and 12, Bangkok Post Nov. 26 p.12).

Given the diversity in the region and the recent history of hostility among some of the states, most Southeast Asian states find the presence of the US in the region a stabilizing force. Multilateral cooperation is pursued in parallel to and not in the place of a US presence. How far multilateralism can go in Southeast Asia and the Asia Pacific, to a certain degree, is also a function of the politics of major countries in the region. With stronger bargaining power, major powers generally prefer to deal with other nations on a bilateral basis. The powers can exert direct influence and fine-tune the nature of the relationships according to their own need.

China, for one, had vehemently opposed a multilateral approach when it first joined the international community. Yet, China's open policy in economic development demanded a high level of participation in the world community. More particularly, China's bid for WTO membership required the support of other nations. As a result, China has progressively shown more support of multilateralism in the realm of economic cooperation. China has expressed its readiness to establish a free trade zone with ASEAN in the recent ASEAN+3 meeting. In political and military matters, China often still prefers bilateral negotiation. In the year 2000 alone, China signed four bilateral cooperation agreements with Indonesia, Myanmar, the Philippines and Singapore respectively. Both agreements with the Philippines and Singapore included defense cooperation and exchanges between their respective strategic and security research institutes. While China agreed to work out a Code of Conduct for the South China Sea with ASEAN, it refused to have the issue discussed in the broader multilateral forum of ARF.

The U.S. is another country that has been impatient and dissatisfied with a multilateral process. The Bush Administration frustrated if not angered quite a number of allies and friends by its unilateral action of withdrawing from the Kyoto Memorandum on Global Warming and by its unilateral push for the Theatre Missile Defense (TMD) and National Missile Defense (NMD). The impact of the September 11 terrorist attacks and the need for the US to muster support around the world for its military action against the Taliban made it necessary for Bush and his administration to rally support with allies as well as non-allies. With Secretary of State Collin Power attending the ARF and Bush attending APEC there seems to be a renewed acceptance of multilateralism as an effective framework for international politics in the region.

Japan has wanted to play a bigger role in the region. It has done a lot for the region, from the 'recycling of yen' to the establishment of the Asian

Development Bank; in maritime security, from being the sole contributor to a revolving fund for the safety and environmental security of the Straits of Malacca to the more recent rallying point of coordinated efforts against piracy. However, Japan sways between its desire to lead and tackle the unique problems in the region and its desire to be a team player of world politics. Its response to the Asian financial crisis of 1997 is a case in point. As an analyst observed, “Paradoxically, Japan appears to be both the driving force for monetary regionalism in East Asia and its main opponent... Japan wishes to maintain its status to the region, while at the same time not provoking criticism in Washington.” (Far Eastern Economic Review July 12, 2001 p.29) The comment that “Today, Japan’s approach to regionalism, characterized by its preference for hierarchy and its negligence of neighbours’ demands, won’t work” may provide the clue for success in Asian regionalism: first among equals may be a better leadership style.

#### From Military to Economic Focus

Once the Cold War was over, the region devoted itself to economic recovery and there were a number of notable successes, first in the Newly Industrialized Economies (NIEs) and later in the “growth triangles” along the hinterland of national boundaries. Such successes brought confidence and higher standards of living to the people. The military, still a powerful group in many of the countries, has also been benefited from the economic growth of the countries with better equipment and amenities. Although there were skirmishes throughout the region, there were no wars. Everyone was dazzled by rapid economic growth. The financial crisis of 1997 came as a shock. It threw most Southeast Asian countries into disorientation and every effort was made to counter the impact of the crisis and to revive the economy.

With rapid economic development, there is an increasing need for natural resources. Much of the region’s manufacturing and industrial activities depends on the steady supply of low cost energy. Furthermore, most of the Southeast Asian countries are developing nations with very low average income levels. Thus, food security is very important to the maintenance of the quality of life and social stability of these countries.

The 1997 financial crisis had a devastating impact on the region. Many countries were strapped with bad debt. Government officials and corrupted politicians were challenged in Southeast Asian states such as Thailand, Malaysia, Indonesia and the Philippines. One consequence was that Suharto and his government were toppled and Indonesia was thrown into social and political chaos. Another consequence was that separatist movements became

rampant in both Indonesia and the Philippines. At times, the most important security issue in these two countries was internal law and order. Ultimately, economics remains the crucial instrument to bring about law and order and to turn the tide of events in the region.

#### Current Situation: Military Concerns

*Territorial and boundary disputes* remain the most explosive maritime security issue in the region. The overlapping claims in **the South China Sea** tops the list. China/Taiwan and Vietnam claim all the islands and reefs of the South China Sea. Malaysia and the Philippines claim some of the islands closest to their territories. Brunei and Indonesia also have small claims. Most of the Spratlys and other South China Sea islands are too small or semi-submerged to sustain life. The ocean area around the islands is too treacherous to be used as major sea-lanes of communication and transportation. With the exception of brief armed clashes between China and South Vietnam when the latter occupied several islands off its shore, the South China Sea disputes were basically left dormant. It was only after the Cold War when countries in the region set forth to exert their territorial sovereignty and to exploit their resources from the sea that the territorial disputes in the South China Sea became explosive. An Indonesian initiative has brought all claimants together in a conflict management dialogue for the last ten years. Issues as emotional as the sovereignty of nations and as enticing as potential ocean resources are not easy to defuse. Overlapping claims among multiple claimants certainly complicate matters, if not making these overlapping claims almost totally impossible to resolve.

The greatest tension in recent years, however, is between China and the Philippines over Scarborough Shoal (Huangyan Island). Early this year, a number of confrontations between Chinese fishing boats and the Philippines armed forces took place. Officials on both sides exchanged claims, counter-claims and diplomatic protests but neither country allowed the incidents to disrupt overall bilateral relations.

The need for good working relations among the states and the necessity for regional cooperation prevail. Any armed conflict could adversely affect the economic environment and keep other relations on hold. In recent years, China agreed to work with ASEAN to develop a Regional Code of Conduct for the South China Sea. It proved to be a difficult process. To date, significant differences of opinion remain, not only between the ASEAN states and China but also within ASEAN.

*Boundary disputes* in other parts of Southeast Asia have seen better though not easier solutions. In most cases, resource-based considerations served as the rationale to compromise. It took years for Thailand and Malaysia to work out their Joint Development Area (JDA) arrangements in **the Gulf of Thailand**. The area is now finally producing gas on a commercial scale. More recently, Thailand and Vietnam agreed to disagree on their overlapping boundary in the Gulf of Thailand, agreed to set up joint naval patrol and are now eyeing the possibility of joint development of gas fields in their vicinity. Cambodia has also asserted pressure on the Thais to have similar agreement over their disputed maritime boundary in the Gulf of Thailand so that they can also start working on some joint development of oil and gas with the Thais. To date, the Thais have found the Cambodian overlapping claims unacceptable and a resolution is still pending. In **the Gulf of Tonkin**, through the strong political will of the leadership on both sides, Vietnam finally settled its boundary dispute with China at the end of 2000.

*Sea Lane Security* in the archipelagos is still a problem. The Philippines has rectified the UN Law of the Sea but according to its Constitution, the Philippines considered the water within the treaty map between the US and Spain as internal waters, not archipelagic waters. Even though it allows passage of ship through its waters, it made no identification of archipelagic sea-lanes for international navigation. As a result, there remains much ambiguity to international navigation rights and obligations through its waters. Indonesia, on the other hand, has followed the Law of the Sea and designated three north-south sea-lanes through its archipelagic waters for international shipping. It has yet to identify any east-west sea-lanes. This lack of official designation of any east-west sea-lane caused some concerns between the US and Indonesia over the transit right of US naval fleet in the mid-90s. Both sides came to agree that until Indonesia designated the east-west sea-lane, the US fleet would transit through the archipelago according to its customary practice. To date, the east-west sea-lanes have not yet been designated.

#### Current Situation: Economic Concerns

With the end of the Cold War, most of the conventional maritime security issues, including the explosive issue of overlapping claims in the South China Sea, proved to be unnecessary irritants that leaders of the Southeast Asian governments preferred not to have to deal with. The more earnest issues at hand were non-military in nature. Some of the major ones include piracy, smuggling, environmental security and resource security. All parties concerned agreed that the issues should be tackled but that there were also

diverse perspectives and solutions that still needed to be discussed and resolved.

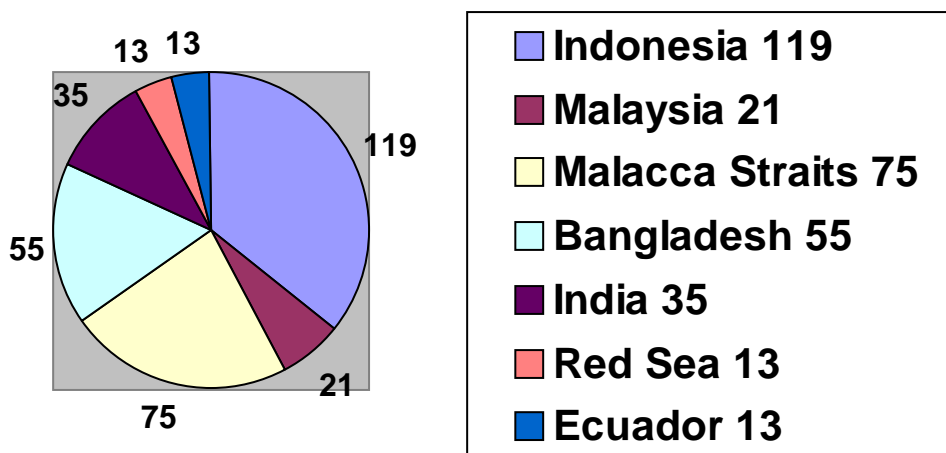
*Piracy* was rampant in the history of Southeast Asia. The countless islands and numerous waterways in the region provided excellent hideouts and fast get-away routes. Singapore has clearly marked this change of time. Singapore used to be a notorious pirate hideout but is now a modern state with impeccable law and order. With the passage of time and changes in society and economy in the region, piracy faded into the background. Piracy returns to haunt these waters at the worst of times when law and order is lax. For many years, the region had relatively few cases of piracy. However, in 2000, the region witnessed a dramatic jump of 56% as compared with 1999 and four and a half times as compared with 1991. While most of the incidents reported by the International Maritime Bureau (IMB) are minor cases of robbery, the violence and brutality of the cases are intensifying. Even organized crime started to get involved. The attached table and chart show changes across time and an overview of the geographical locations of the crime committed among countries most prone to piracy. Indonesia and the Philippines were the two countries that were most infested with pirates and they were the same countries that had a breakdown of law and order caused by social unrest and separatist movements.

## Piracy Incidents by Location 1991-2000

Location	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
<i>S E ASIA</i>										
Cambodia			1	1	1	1	1			
Indonesia	55	49	10	22	33	57	47	60	115	119
Malacca Str.	32	7	5	3	2	3		1	2	75
Malaysia	1	2		4	5	5	4	10	18	21
Myanmar						1	2		1	5
Philippines		5		5	24	39	16	15	6	9
Singapore Str.				3	2	2	5	1	14	5
Thailand					4	16	17	2	5	8
<i>FAR EAST</i>										
China/HK/M.			1	6	31	9	5	2		2
EastChina Sea		1	10	6		1	1			1
PNG						1	1	3		
Solomon Is							1		1	2
S China Sea	14	6	31	6	3	2	6	5	3	9
Taiwan					2					
Vietnam				2	4		4		2	6
<b>World Total</b>	<b>107</b>	<b>106</b>	<b>103</b>	<b>90</b>	<b>188</b>	<b>228</b>	<b>248</b>	<b>202</b>	<b>300</b>	<b>469</b>

The Following seven areas shared over two thirds of the total number of incidents, i.e. 331 from a total of 469 attacks for the period.

### Countries most prone to Piracy attacks in 2000



Source: Jayant Abhyankar, "Piracy and Shipping Robbery: A Crowing Menage" in Hamzah Ahmad & Akira Ogawa (ed.) *Combating Piracy* (Tokyo: The Okazaki Institute, 2001) p.23 -24.

Because of the increasing seriousness of the piracy issue, quite a number of workshops and conferences were held during the past two years. The atrocity and problems of piracy were well documented. [e.g. see Hamzah Ahmad and Akira Ogawa ed. Combating Piracy (The Okazaki Institute, Tokyo) 2001] A highlight of some examples of differences in perception that may hamper closer regional cooperation follows.

As often is the case in regional cooperation in the Asia-Pacific region, sovereignty is a sensitive issue. While no coastal state is against cooperation in eradication of piracy, many are uneasy with the way the International Maritime Bureau (IMB) tried to redefine “piracy.” According to the United Nations of Law of the Sea, piracy is “any illegal acts of violence or detention...on the high seas...or in a place outside the jurisdiction of any State...” (1982 UNCLOS Article 101) Under international law, all states have the right to arrest pirates on the high seas and to punish them according to their own law. In Southeast Asia, vast extent of water falls into the regime of archipelagic waters which are also legally within the territorial sovereignty of the archipelagic state and are not subject to law regarding piracy on the high seas. But, in reality, most of the acts of “piracy” are committed in Straits, ports and anchoring areas within the territorial sea limit of the coastal state. In order to be effective in its act against piracy, IMB defined piracy as “any act of boarding or attempting to board any ship with the intent to commit theft or any other crime and with the intent or capability to use force in furtherance of the act.” (2001 Annual Report on Piracy and Armed Robbery Against Ships of the International Maritime Bureau) The re-definition of the term piracy would raise the number of acts of piracy committed and would give rise to a higher profile of the piracy problem. While this would help to alert the world community to the seriousness of the problem, some officials are worried about the possible creeping jurisdiction such re-definition may bring about. It would increase external pressure, if not external interference, on what nations basically consider to be a national law enforcement issue.

Japan’s offers of assistance, such as enhancement of patrolling capacity and monitoring capacity both in hardware and in training, are welcome though some nations are uneasy about joint naval patrol with the Japanese navy. Malaysia and Indonesia have expressed that they are unwilling to allow foreign armed vessels into their territorial waters. Southeast Asian nations are small and medium states that often have to take into account the politics and relations of major countries in the region. Joint naval patrol would



introduce the physical presence of yet another major power into the already complex situation in Southeast Asian waters. For easy access of data, transfer of technology, building of capacity and multilateral coordination, some Southeast Asians would also prefer to have the piracy-monitoring center, if any, to be established in the region rather than in Japan.

The bottom line of the issue is while Southeast Asian countries are sincere in their concerns over the menace of piracy they do not consider it a top priority. Furthermore, many see piracy activities as a function of the overall social, economic and political well being of countries and communities in the region. For example, when China was unable to have full control of its coastal area and when corruption and crimes were rampant, there were more piracy activities along its coast, using ports as hideouts. As China's social and economic order improved, piracy statistics correspondingly dropped. Most experts agree that the recent increase in piracy incidents in the Southeast Asian waters, to certain extent, is a function of the social, economic and political disorder in the Indonesian archipelago and its vicinity.

Aside from piracy other crimes at sea are also haunting the region. They include kidnapping and abduction for political and monetary purposes and the smuggling of drugs and goods across national borders. Several high profile cases of abduction of foreign tourist by the Abu Sayyaf separatists have not only damaged the tourist industry in Southern Philippines but have also affected the islands of Malaysia off East Sabah. Smuggling of goods and illegal drugs is also on the rise. The national security adviser of the Filipino government, Golez, had charged that the "greatest threat" to national security came from Chinese gangs smuggling illegal drugs into the Philippines.

*Resource security*, especially food security has always been an important stabilizing factor for many countries. As Southeast Asian states turn to nation-building and economic endeavors, the need for resources such as oil and gas becomes a higher and more dominating priority. Energy poor countries such as Thailand are most vulnerable. The search for energy security has led to greater cooperation between Malaysia and Thailand. They shelved their sovereignty rights issue on their overlapping claim in the Gulf of Thailand in order to co-exploit the oil and gas resources there. The success of the joint development project inspired further cooperation among the countries around the Gulf. As an example, Vietnam and Thailand agreed on their overlapping claims and started joint naval patrol of the area. The two countries also are looking at possible joint development of oil and gas resources in that area. Cambodia also pushed hard on Thailand to have similar arrangements over their common but contested border. Thailand

found the Cambodian claim unacceptable and could not agree to disagree. To date no agreement on the overlapping area has been reached.

The concept of energy security has undergone some fundamental changes in recent years. There has been an increasing reliance on natural gas as a main source of energy. Countries turned to a gas pipeline as a way to secure continual supply of energy. Singapore connected a natural gas pipeline from West Natuna, Indonesia and commenced its first production in January 15, 2001. Singapore also signed a contract to connect another gas pipeline from Sumatra, Indonesia. Malaysia also signed a contract to get gas from West Natuna. There is a growing regional integration to ensure regional security of energy supplies. In 1997, the ASEAN Head of States adopted the ASEAN Vision 2020 that called for cooperation to “establish interconnecting arrangements for electricity, natural gas, and water within ASEAN through the ASEAN Power Grid and a ASEAN Gas Pipeline.” Such strategies will greatly enhance regional cooperation and energy security.

Another resource security issue is more problematic. It is the issue of fishery which is a main source of food security in the region. The need for food and economic income leads to rapid depletion of fish stocks in Southeast Asia, especially in the Gulf of Thailand. With the Exclusive Economic Zone (EEZ) and archipelagic states jurisdictions established by the UNCLOS III, there are no more high seas in Southeast Asia. Many traditional fishing grounds formerly free for all to fish have been changed into either Archipelagic waters or EEZ where the coastal state has the sole jurisdiction over living resources, such as fish. Although UNCLOSIII calls upon the coastal and archipelagic states to respect traditional fishing rights, no proper provision is made in the Southeast Asian waters and fishermen fishing in traditional fishing ground are often considered to be engaged in illegal fishing. There is also the related issue of fishery disputes, including the passage of fishing vessels through the EEZ of a third country. Thailand has many problems with its neighbors - Malaysia, Myanmar and Cambodia. More recently, the Thais have also had problems with Indonesia for fishing illegally in their EEZ and archipelagic waters.

*Environmental Security* is gaining attention in some parts of Southeast Asia, especially in the Straits of Malacca and Singapore. A more important issue concerning navigation in the eyes of Southeast Asians, especially Malaysian and Indonesian, is the navigational safety and the environmental security of the Straits of Malacca and Singapore. Thousands of ships pass through the Straits every year, including some of the world’s largest oil tankers. The hazard of navigation through the narrow and shallow waterway is well documented. The Revolving Fund is the only fund existing today that is used

to help combat oil pollution in the Malacca and Singapore Straits. It was set up with contributions from the Japanese Malacca Strait Council. With its funds dwindling, there is no current regional or strategic plan for its replenishment

International Maritime Organization (IMO) has sponsored or co-organized several international conferences in Malaysia and Singapore in recent years to discuss maritime safety and marine pollution in the Straits. The need for greater burden sharing in the maintenance of the Straits was brought up in the 1996 IPS/IMO Conference. Since then, there is a growing consensus that users should contribute their share to maintain navigational safety and also to maintain the marine environment in the Straits. The arguments center on the questions of: who pays? What is a fair share? How can this be accomplished without infringing on the right of freedom of navigation and how should the fund be managed?

## Conclusion

From the very brief overview above we can see that the current maritime security issues and problems in Southeast Asia are becoming increasingly serious. In the South China Sea, multiple claimant states are locked into a complex wrangle for which there is no immediate or fast solution. Each claimant state is tempted to consolidate its claims by various means. Each unilateral move or bilateral confrontation can upset the precarious peace. The sea-lane of communication is increasingly being challenged by pirate attacks. Adequate contingency to safeguard the environmental security of the Straits of Malacca and Singapore is suspended over a long-drawn debate of responsibilities and contributions. Recent economic and political crises have brought social disorder and have fueled separatist movements, especially in the archipelagos. Fortunately the region as a whole is moving towards greater cooperation as agreements and cooperative arrangement are hammered out. The governments in Southeast Asia realize that regional cooperation may be the only way out of economic crisis. Given the diversity among the states, regional leadership and multilateral approach are necessary.