LA TROBE UNIVERSITY


# The La Trobe Asia Brief

## Australia-Southeast Asia Relations

The post COVID-19 regional order

"Vaccine diplomacy has implications for long-term diplomatic cooperation across Southeast Asia."

**Caitlin Byrne**

"The statist approach to foreign policy engagement in Southeast Asia is a relic of the past."

**James Gomez**

"ASEAN matters far more for Australia in Southeast Asia and less beyond."

**Malcolm Cook**

With contributions from Lina Alexandra, Yawee Butrkrawee, Chen Chen Lee, Natalie Sambhi, Huong Le Thu, Jeffrey Wilson, Evi Fitriani, Robin Ramcharan and Charmaine Willoughby.

**Issue No. 5 – 2021 | Policy Brief | La Trobe Asia**

# Message from the Executive Director

I'm delighted to introduce the fifth La Trobe Asia brief.

This edition provides in-depth analysis on the state of Australia and Southeast Asian relations and recommendations for how they may be deepened as the region enters into a phase of pandemic recovery.

This publication is a product of a fruitful online academic dialogue held in February 2021 in collaboration between La Trobe Asia, Asia Centre, Centre for Strategic and International Studies Indonesia, Institute of Strategic and International Studies Malaysia, Griffith Asia Institute, Asialink, Perth US-Asia Centre and Generate Worldwide.

While issues of defence and economic cooperation feature prominently, it is notable that a dominant theme that emerged from the dialogue and this policy brief is the importance of people-to-people links, drawing civil society actors into diplomacy and how extra-regional states such as Australia may support human rights and democracy movements on the ground in Southeast Asia. We are grateful to the Australia-ASEAN Council for funding this project.

On behalf of the partners, I sincerely hope you enjoy reading these timely and insightful contributions to understanding Australia-Southeast Asian relations.

**Dr Rebecca Strating**
Executive Director, La Trobe Asia

## About the series

The La Trobe Asia Brief is a publication from La Trobe Asia, based at La Trobe University. This series provides a platform for commentary, research and analysis of policy issues that are of key importance in the Asian region. The papers in The La Trobe Asia Brief series are written for an informed audience. Authors will be invited by La Trobe Asia to contribute to this series.

## Photos

Front cover: ASEAN Special Summit on COVID-19 2020 / ASEAN Vietnam Chairmanship 2020

Inside issue: Toto Santiko Budi, Apiguide, ASEAN, Youkonton Ratarasarn

Back cover: Composite image, 2nd ASEAN-Australia Leaders' Summit / ASEAN Secretariat / Kusuma Pandu Wljaya

## Editor

Matt Smith.
With thanks to: Diana Heatherich.

**The La Trobe Asia Brief #5**



*Proudly supported by the **Australia-ASEAN council***

AAC
AUSTRALIA-ASEAN COUNCIL
BRINGING TOGETHER THE PEOPLES OF AUSTRALIA & SOUTH-EAST ASIA

***A collaboration between:***

ASIACENTRE
LA TROBE UNIVERSITY
Perth USAsia Centre
Griffith UNIVERSITY
Griffith Asia Institute
CSIS INDONESIA
Generate Worldwide
ISIS MALAYSIA
THE UNIVERSITY OF MELBOURNE
Asialink

# Building stronger relations between Australia and ASEAN

Relations between members of the Association of Southeast Asia Nations (ASEAN) and Australia have grown substantively in the last decade. Once a "marriage of convenience", they have transformed into "strategic partners" with stronger commitments.

In March 2018, Vietnam signed a Joint Statement which marks the beginning of its strategic partnership with Australia, expanding both countries' cooperation from economic into defense cooperation. In August 2018, Indonesia and Australia elevated their strategic partnership into a comprehensive one. Then, in January 2021, Malaysia signed a Comprehensive Strategic Partnership with Australia. Subsequent summits have affirmed stronger ties between the two.

Meanwhile, the spread of COVID-19 has hit countries across the globe with an unthinkable degree of destruction to state capabilities. Thus, the ultimate question is: What would be the future for ASEAN-Australia relations in the post-COVID world?

In general, there is optimism. Australia will likely continue to participate in various ASEAN-led multilateral forums. It also supports the Regional Comprehensive Economic Partnership (RCEP), as shown by Prime Minister Scott Morrison's promises to contribute AUD$46 million to provide technical assistance and capacity building.

Moreover, COVID-19 has opened opportunities to expand the area of cooperation, particularly in helping Southeast Asian countries improve health management capacity. Both sides have committed to establish the ASEAN-Australia Health Security Initiative, including Australia's contribution to support the ASEAN Centre for Public Health Emergencies and Emerging Diseases. Australia has also pledged to contribute AUD$500 million to promote access to vaccines and regional health security, and has extended the partnership to help in the recovery process.

The relationship could meet some hurdles. First, the recent slash of Australia's Department of Foreign Affairs and Trade (DFAT) budget seems to indicate an unfortunately declining reliance on diplomacy. Furthermore, Australia's Official Development Assistance (ODA) will only receive AUD$4 billion for the 2020-21 period, down AUD$44 million from 2019-20. This is within the government's policy to freeze aid funding, which is expected to continue until 2022-23. In contrast defence budget increased significantly to AUD$575 billion.

The Australian Strategic Defence Update 2020 may also raise concerns. While it is unsurprising to see US-China strategic competition remains the top focus, the document specifies the prospect of high intensity military conflict in the Indo-Pacific, which is 'less remote' than in the past. Thus, Australian defence capabilities will be redirected to the area ranging from the 'north-eastern Indian Ocean through maritime and mainland Southeast Asia to Papua New Guinea and the South West Pacific'.

This development might alarm Southeast Asia, and a proper dialogue is necessary to avoid escalating suspicions. For ASEAN countries, their immediate focus is likely on pandemic management and economic recovery, and relationships with major powers will be shaped toward achieving this aim. Despite some countries' preferences to tilt either to China or US, ASEAN will seek to maintain their ambivalent responses, which is rooted in the underlying intention of regional neutrality, as well as pragmatic interests to secure whatever resources needed from the two giants.

As much as Southeast Asian countries are concerned by China's behavior in the region, it is viewed as too powerful and too costly to confront and they do not want to aggravate a potential partner. In this context, Australia's vision to implement "rules-based order" should be pursued through extensive dialogue with Southeast Asia counterparts by strengthening force. Southeast Asian countries do not want attention in the region simply to be because of the "China factor", but based on building genuine relations to understand its closest neighbors better. For Australia, they are interested in seeing ASEAN be "strong, cohesive and responsive", which will benefit the whole region.

The recent political crisis in Myanmar presents another litmus test for ASEAN. Although Australia is unlikely to push ASEAN too hard on this, it will remain watchful to see how it will deal with this issue.

Thus, ASEAN countries need to prove themselves worthy to become strategic partners for middle and even major powers, precisely because of certain qualities that make them equal, which in this case is by being a strong, cohesive and responsive organisation. In the end, both ASEAN and Australia need to pursue what the wise say: "Keep your promises, be consistent and be the kind of person others can trust."

*Lina Alexandra is a senior researcher at the Centre of Strategic and International Studies (CSIS) Indonesia.*

# Australia, ASEAN and geoeconomic competition – a shared agenda

It is well-known that Australia and Southeast Asia have many shared economic interests, particularly in terms of our trade, investment and people-to-people links. However, an issue of shared interest that has received less attention is the rise of geoeconomic competition.

Geoeconomics – the application of economic instruments for geopolitical ends – has become a fact of life in the Indo-Pacific. As international rivalries have re-emerged between major powers, many governments have turned to economic tools to advance their strategic agendas. This is particularly true of the US and China, which have each used geoeconomic strategies to prosecute their great power rivalry.

As a result, several geoeconomic battlegrounds have emerged in the Indo-Pacific in recent years. The first is trade warfare, particularly the massive US-China trade war that has seen tariffs applied to $735 billion of bilateral trade. This is followed by infrastructure races, catalysed by China's Belt and Road Initiative that uses infrastructure investment as a means to project economic power. Finally there's institutional competition, including between the two 'mega-regional' free trade agreements: the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and Regional Comprehensive Economic Partnership (RCEP).

These forms of geoeconomic competition are a serious threat to the national interests of both Australia and ASEAN. We are all either small or medium-sized economies, and lack the heft to engage in geoeconomic battles with great powers on our own. We are also open economies, which means that interruptions or distortions – such as the Chinese trade sanctions that Australia weathered in 2020 – have an outsized effect on our economies.

But perhaps most significantly, both Australia and ASEAN are highly dependent on an open and rules-based economic order. Our shared economic story since the 1980s is one of regional integration through trade and investment, which has opened a huge number of economic opportunities that would not have existed otherwise. When geoeconomic competition undermines these institutions it threatens the global and regional architectures on which our shared prosperity depends.

Until now, ASEAN and Australia have tried to "defend" against geoeconomic threats largely on our own. When there are complex rivalries over infrastructure, Southeast Asian countries have managed their investment ties with China, Japan and others individually. When there are coercion trade sanctions from China – as experienced by Vietnam, the Philippines and Australia at various times – we respond bilaterally. And when WTO functions break down due to US vetoes, we have made individual and largely ineffective representations.

The core problem is that these individual responses are unlikely to work. A medium-sized economy like Indonesia, Australia or Malaysia has limited capability to push back against the geoeconomic plays of a great power; and the smaller developing country members of ASEAN almost none. If we continue to go-it-alone on geoeconomic competition, we will never achieve good results.

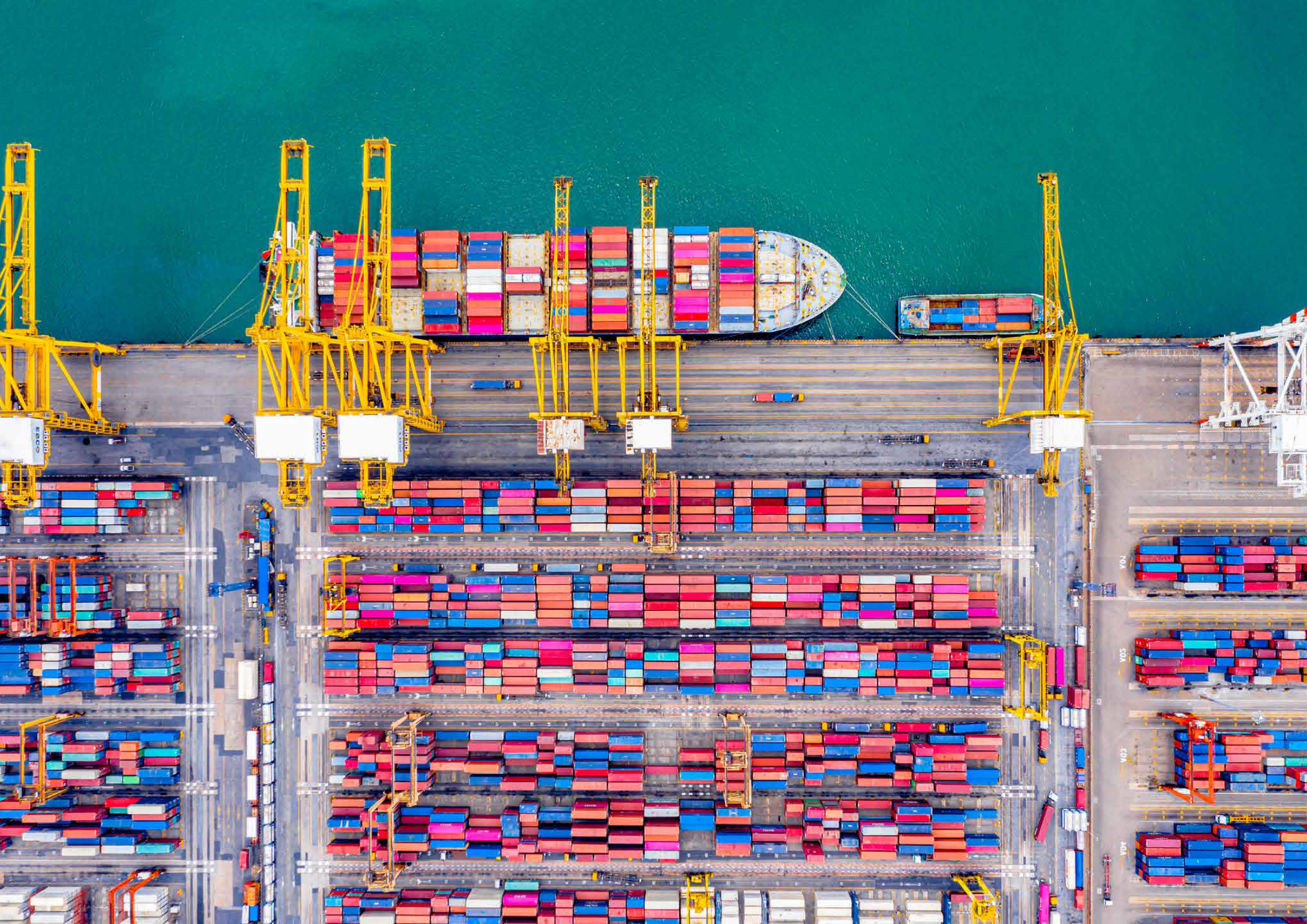
However, given the fact that Australia and ASEAN share an interest in protecting the rules-based economic order there is a clear opportunity to make this part of our agenda. This will require rethinking the nature of the Australia-ASEAN economic relationship, which has until now been focused on 'what we have between ourselves'. If we are to jointly respond to geoeconomic risks, we will need to raise our horizons to engage with the economic behaviour of the great powers as well.

Indeed, we have already begun moving in this direction. The RCEP, signed in November 2020, is a critical plank in the defence of the rules-based economic order. It is the largest regional trade agreement ever signed, and establishes an integrated trade bloc amongst all major economies in the Indo-Pacific.

RCEP demonstrates the utility of multilateral strategies for economic cooperation. Contrary to some views, it is not a "China-led" trade bloc. RCEP is an agreement centred on ASEAN, whose rules and provisions reflect the economic and developmental needs of Southeast Asian economies. It also includes Japan, Korea and Australia, ensuring that all major economies in the region are present. It therefore binds great powers like China into a rules-based framework for regional integration.

However, there is more that Australia and ASEAN could do. One important domain is the global trade architecture, where the WTO is facing a twin crises of having existing mechanisms (the Appellate Body) fail, while also being unable to forge ahead new agreements. By coordinating our contributions, we can achieve significantly greater results. Developing mechanisms for this coordination will be a critical "force multiplier" for Australia and ASEAN in global economic governance.

*Dr Jeffrey Wilson is the Research Director at Perth USAsia Centre.*



# Vaccine diplomacy: tensions and contestation in Southeast Asia

Vaccine coverage is the single most significant factor in fighting COVID-19 infection rates and driving long term economic recovery around the globe. Yet the imperative to produce and distribute vaccinations has led to new forms of 'vaccine diplomacy'. It's become 'the ultimate geopolitical game', and the contest is playing out ferociously in Southeast Asia.

China leads the way, with vaccine diplomacy at the centre of China's global engagement narrative. In May 2020, Chairman Xi Jinping affirmed China's vaccine development and deployment efforts as a 'global public good' noting to the opening of the World Health Assembly that 'this will be China's contribution to ensuring vaccine accessibility and affordability in developing countries.' A powerful narrative with significant cut-through, their program has gained traction amongst nations hardest hit by the pandemic.

Indonesia was the first Southeast Asian nation to take up Chinese vaccinations with the Philippines, Thailand and Cambodia close behind. The nature of the arrangements are unclear, but the clear tendency is towards bilateral engagement incorporating various gifting, preferential and conditional arrangements, often advanced under the rhetoric of 'enduring friendship'. Ultimately, China is working to ensure Southeast Asian nations choose Beijing as their partner of first choice, and not only when it comes to the choice of vaccine.

China's program has drawn criticism. Some Southeast Asian leaders have expressed reticence at the idea of being part of a human trial process associated with vaccine distribution. And concerns regarding the efficacy of China's vaccines may see the need for booster shots in the short to medium term. At the same time, discrepancies in distribution patterns point to worrying signs of vaccine smuggling alongside an emerging black-market for doses, particularly in the Philippines. Notably, the concerning role that China's military apparatus plays as a critical mechanism for vaccine development and distribution has attracted limited critique in the midst of crisis.

Yet China is not alone. Other nations, including Russia, the UK and India have signalled the use of 'their jabs to strengthen regional ties and enhance their own power and status' in Southeast Asia, accentuating the fault lines of global power, influence and interest within the region along the way.

Australia too has stepped up its rhetoric on vaccine response measures in recent months. Although not a vaccine producer, Australia has committed $500 million to support access to safe and effective vaccines plus 'wrap around support' for Southeast Asia and the Pacific nations. This is in addition to other measures, including $21 million to fund an ASEAN Centre for Public Health Emergencies and Emerging Diseases, and ongoing bilateral programs. It is a welcome contribution intended to shore up Southeast Asian resilience as a core element of long-term recovery. And it reflects Australia's bid to build influence as a reliable, dependable and capable partner in the region.

Australia's position has been bolstered by the strategic heft of the Quad nations (US, Japan, India and Australia), having committed to the delivery of 1 billion doses of the COVID-19 vaccine to the region by 2022. However, recent issues related to production and supply blockages, including those arising from the devastating outbreak in India, will put Australian diplomatic competence and credibility to the test.

Vaccine diplomacy has implications for the texture of longer-term diplomatic cooperation across Southeast Asia. Firstly, it is clear that China and others are actively vying for soft power leverage within the region.

Secondly, the response of Southeast Asian states in the face of diplomatic overtures matters. Not to be seen as passive recipients, Southeast Asian leaders are keeping options open and exercising agency where they can. Indonesia provides a case in point. Having signed up as a potential regional hub for China's vaccine production, the Indonesian government has also signed deals to secure other vaccine doses. The degree to which individual Southeast Asian states will exercise their agency is neither to be overlooked nor underestimated.

Yet the heightened agency of individual states does not necessarily translate into regional coherence. If anything, the geopolitics of vaccine distribution has exposed the disaggregated nature of politics within Southeast Asia. Recent waves of vaccine diplomacy across Southeast Asia have amplified the fragmented nature of ASEAN. Despite clear examples of regional coordination in pandemic preparedness, it seems that ASEAN has been slow to engage with the strategic nature of COVID-19 vaccine diplomacy. It's not too late, but it is unlikely for ASEAN to develop a coherent and coordinated vaccine roll-out, as the stakes in this ultimate geopolitical game ratchet up to the next level.

*Professor Caitlin Byrne is the Director of the Griffith Asia Institute, Griffith University.*

# Australian people-to-people engagement needs democracy

Australia is not known to engage with independent civil society. Comfortable with a decades-long approach of cosying up to the conservative elites in the region, it has kept a focus on the economic and security sectors, and their engagement with Southeast Asia on the people-to-people front has been limited and narrow, even in the most crucial times.

While Australia subscribes to the Free and Open Indo-Pacific (FOIP) that aligns major democratic powers surrounding China (India, Japan and the United States) and ASEAN to a liberal, rules based order across the Indo-Pacific, Australia's foreign policy credentials on democracy promotion in the region are unclear.

Australia is not a member State of the Community of Democracies (COD) though Australian experts have contributed to COD studies on constitutional matters in Myanmar, funded by the Ministry of Foreign Affairs of the Republic of Korea. Australia should aim to be on the Governing Council of COD.

Its contributions to the United Nations Democracy Fund (UNDEF) have dwindled from over AUD$7 million in 2005 to zero in 2021, and should be resumed.

Australia is a founding member of the International Institute of Democracy and Electoral Assistance (or International IDEA) and is chair of its office for Asia and the Pacific. It aims to "work closely with Member States" to support International IDEA's work, and we look forward to seeing evidence of this in relation to Southeast Asia.

The advancement of democracy and human rights is an important concern of the people in the region and should not be ignored. Hence, Australia should adopt a holistic approach to people-to-people engagement that includes civil society working on issues related to democracy and human rights in the region.

Does it want to pursue a values-based diplomacy where issues of democracy and human rights are prioritised or does it want to pursue a classical realist approach sans the incumbrance of values? This is a fundamental question that Australia must address. To do so, it must first decide whether it is possible to separate human rights from the geopolitics of the 21st century and how to insulate the advancement of democracy and rights from the vagaries noted above.

When it makes sense of its way forward, Australia also needs to consider what instrument it wants to use to coordinate its people-to-people engagement. For many years, the Centre for Democratic Institutions at the National Security College, Australian National University received grants to work in this area. However, research has pointed to the need for a wider range of multi-sectoral initiatives to advance democracy in Asia.

Australia may find it useful to coordinate its efforts on people-to-people engagement through a statutory body - an Australian Democracy Foundation (ADF) - with a mandate and financial support from Parliament to directly engage in democracy promotion in partnership with civil society in Southeast Asia and beyond.

It is noteworthy that countries that have transitioned to democracy in Asia have created such foundations - the Korean Democracy Foundation (KDF) and the Taiwan Democracy Foundation (TDF). A proposal for a Malaysian Democracy Foundation (MDF), which would be the first in Southeast Asia, was made by Asia Centre.

As with the proposed MDF, activities of an Australian democracy foundation could include organising democracy-themed events, undertaking research, and providing grants. Australia's civil society, including its think tanks, are poised to make a difference.

A newly minted ADF would throw Australia into sharper relief as a champion of democracy, the rule of law and human rights in the region, and a notable distinction in the context of the geopolitics of the FOIP.

The statist approach to foreign policy engagement in Southeast Asia is a relic of the past. Canberra must consider how it can better serve the needs of people in Southeast Asia and the wider region as the struggles for democracy continue in countries such as Cambodia, Malaysia, Myanmar, Thailand and the Philippines.

Pending clear commitment as suggested above, Australia will remain absent in Southeast Asia's independent civil society space. It can continue with a lopsided people-to-people engagement or choose a holistic approach that also includes working with those engaged in democracy and human rights in the region.

*James Gomez and Robin Ramcharan are directors at the human rights think-tank, Asia Centre.*

# ASEAN for Australia: Matters more, matters less

ASEANology fixates on the question 'does ASEAN matter?' ASEAN's self-proclaimed centrality, now elevated to the capital C in ASEAN documents, is a salve to this existential doubt. ASEAN dialogue partners, existing and desiring, are pressed to affirm this principle and chastised if they are perceived not to affirm the centrality of an organisation they cannot join.

Over the last decade, ASEAN has come to matter more for Australian diplomacy and interests in Southeast Asia. At the same time, ASEAN and Southeast Asian states collectively appear to matter less for Australian diplomacy and interests beyond this region. This double movement is unlikely to moderate in the decade ahead.

The inaugural ASEAN-Australia Special Summit in Sydney in March 2018 was the definitive symbol of ASEAN mattering more for Australian diplomacy in Southeast Asia, and the first ASEAN-Australia summit of any adjective outside Southeast Asia. The host, Prime Minister Malcolm Turnbull, claimed that the Summit confirmed "Australia's steadfast commitment to ASEAN – the centrality of ASEAN and Australia as an all-weather friend, now and in the future."

Australia's dialogue partner relationship with ASEAN deepened and broadened before and after this apex event. In 2010, the ASEAN-Australia-New Zealand Free Trade Agreement entered into force, complementing Australia's bilateral agreements with Singapore, Thailand and, later, Malaysia and Indonesia. In 2014, ASEAN-Australia dialogue partner relations became a strategic partnership. In 2016, the inaugural ASEAN-Australia Biennial Summit was one of the related meetings of the second annual ASEAN Summit. In 2020, these summits become annual events, and Australia signed the ASEAN-led Regional Comprehensive Economic Partnership trade deal. Through ASEAN, Australian leaders and officials meet their Southeast Asian counterparts more frequently and regularly, and the environment for closer commercial relations between Australia and Southeast Asia is better.

The inaugural Quad Leaders Summit in March 2021 is a definite signal that ASEAN, and Southeast Asian states collectively, matter less for Australia beyond Southeast Asia. This meeting was the first regional forum outside the ASEAN-led East Asia Summit to bring together the leaders of the USA, Japan, India and Australia, and the first to do so without China included. In the East Asia Summit, ASEAN sets the agenda and Australia is an invited ASEAN dialogue partner. In the Quad, Australia is a full member.

The Quad and its elevation exemplify a broader diplomatic development motivated by shared concerns over destabilising Chinese behaviours and the benefit of addressing them collectively. The expanding agenda and profile of the Five Eyes intelligence sharing network between the USA, the UK, Canada, New Zealand and Australia and the proposed expansion of G7 to include India, South Korea and Australia are other examples.

Another manifestation is the growing number of motions and declarations addressing China's behaviour. The most recent of these is the Canada-initiated declaration against arbitrary detention in February 2021. China's *Global Times* denounced this as "an aggressive and ill-considered attack designed to provoke China." In July 2020 the UK spoke in the United Nations Human Rights Council on behalf of 27 states critical of Hong Kong's new National Security Law. Cuba spoke for 53 states that supported this law. A year earlier, 22 states issued a joint letter to the Council condemning Chinese policies and alleged human rights abuses in Xinjiang. Four days later an opposing letter supporting China's Xinjiang policies was issued and eventually backed by 49 states and the Palestinian Authority.

Australia, along with Japan, the UK, Canada, and New Zealand support all three motions opposed by China. Southeast Asian states are silent or supportive of China on these three motions with one recent exception.

No Southeast Asian state signed the July 2019 letter criticising China on Xinjiang. Cambodia, Laos, Myanmar, and the Philippines signed China's opposing letter. No Southeast Asian state was among the 27 states the United Kingdom spoke for against Hong Kong's National Security Law. Cambodia, Laos and Myanmar were among the 53 states spoken for by Cuba. So far only one Southeast Asian state, the Philippines, has supported the arbitrary detention declaration. ASEAN, as a consensus-constrained institution, has no voice on these issues.

With Xi Jinping as president for life, there is little prospect that China will moderate the behaviours engendering such coordinated international reaction. The clear differences between how Australia and most Southeast Asian states and ASEAN respond to these behaviours diplomatically likely will only widen. ASEAN matters more for Australia in Southeast Asia and less beyond.

*Malcolm Cook is a Visiting Senior Fellow at ISEAS-Yusof Ishak Institute.*

# Australia and Vietnam - harnessing the positive momentum

The Australia-Vietnam relations are currently enjoying a good run and are bound to continue a positive trajectory. The two countries are increasingly aligned in their strategic outlook and both find each other supportive and, frankly, useful, for their own strategic goals. But this new-found closeness still needs depth and more attention, particularly from the Australian side.

Since the return of the US-China great power competition, Australia also has realised the need to pay more attention to regional partners, and among them, one of the more active powers in the region – Vietnam.

The two countries signed a strategic partnership in 2018 and Prime Minister Scott Morrison paid a visit to Vietnam in 2019 - the first prime ministerial bilateral visit to the country in decades.

Despite differences in political systems and certain values, Canberra and Hanoi are increasingly more aligned in strategic priorities and like-minded in many ways. Both are on the same page in regards to the strategic challenges posed by China. Both recognise that the South China Seas and the Mekong are key strategic theatres. Both trust Japan and want to build up more defence and security cooperation.

There are some key differences in position. Views on the US differs, but by and large, both Australia and Vietnam are hopeful about the Biden administration and are keen to encourage the US to be more present in the region. But individually, relations with the major powers, China and the US, differs – due to differences in geography, historical experiences and fundamental beliefs.

Comparatively, however, Hanoi's world view is more compatible with Canberra's than many other Southeast Asian partners. For example, on the constructive role that the US can play in the region. Vietnam has time and again proven to be most enthusiastic about the US, even under Trump, and more suspicious about China than most of their Southeast Asian neighbours.

As the now annual survey by the ISEAS-Yusof Ishak Institute over the past three years showed, Vietnam stands out on how leniently they saw Trump's America, compared with other Southeast Asian neighbours, while they continuously display a higher level of distrust towards China than the region's average.

In my own study on the regional perceptions of the Quadrilateral Security Dialogue (Quad), one of the key findings was that Vietnam stood out among others in its supportive attitude towards this set of minilateral arrangements. Australia is invested in the Quad, having recently participated in a leaders Quad meeting and committing more resources and diplomatic energy towards its future. This presents another avenue for further Quad Plus dialogues which is likely to continue.

Both Vietnam and Australia have dealt with the COVID-19 pandemic relatively well, giving the countries sufficient bandwidth to think strategically. An indication of that was Australia's release of Defence Strategic Update 2020 where it espoused a view on the rapidly changing global order and expressed the activeness it needed to shoulder in order to protect sustaining the rules-based order.

Vietnam, as the Chair of ASEAN in the pandemic year, and the UN Security Council's non-permanent member, played an active role in the international affairs beyond the focus on domestic politics and containment of the outbreak at home.

Within the UN system, both countries have contributed adequately in the recent years to their capacity and experience, but they have also supported each other. For example, Australia has supported Vietnam's contribution to the UN Peacekeeping missions in South Sudan. In a more regional context, Vietnam has also shown support for Australia's efforts making its bi-annual dialogue with ASEAN an annual event in 2020.

Despite the complementarity of the two economies, the two-way trade is rather lagging behind its potential. Vietnam is not in the top ten trading partners of Australia, figuring only at 14th place in 2019. Australian businesses are "discovering" Vietnam as a good alternative market for partial diversification, now that China's market is problematic. But compared to other regional actors such as Japan, South Korea or Taiwan, Australia is relatively late to the party. Both countries are parties to the regional multilateral trade pacts, the Regional Comprehensive Economic Partnership (RCEP) and Trans-Pacific Partnership (TPP), so once they are ratified, that may change.

Finally, Australia's realisation of Vietnam's importance needs to be translated to its general commitment of understanding Asia. Currently among Australian universities there's a glaring lack of Vietnam expertise, and language teaching became a victim of the larger trend of de-funding Asian language programs. Only deeper mutual understanding and genuine interests can ensure lasting alignment.

*Huong Le Thu is a Senior Analyst at The Australian Strategic Policy Institute.*

# Australia-Singapore relations and the rules-based order

In 2019, when Singapore Prime Minister Lee Hsien Loong met Scott Morrison on his first overseas trip to Singapore as the newly minted Prime Minister of Australia, he said that Australia is one of a few countries with whom Singapore meets at the leadership level every year. Lee emphasized that both Australia and Singapore are natural partners and see eye to eye on many issues including the importance of an open rules based and inclusive multilateral trading system.

The Australia-Singapore bilateral relationship is multi-faceted and bolstered by strong people-to-people links. In recent years, this relationship has only grown as evinced by the establishment of the Comprehensive Strategic Partnership in 2015, a broad-ranging agreement that seeks to deepen engagement across five pillars: economics and trade, defence and foreign affairs, people-to-people, science and innovation, and digital economy. Both countries are Free Trade Agreement partners and within ASEAN, Singapore is Australia's largest trade and investment partner and the 7th largest overall - investment in Singapore was near AUD$73 billion in 2018.

In 2020, the two countries celebrated their close defence ties with the 30th anniversary of the Singapore Armed Forces training in Shoalwater Bay in Queensland. Singapore and Australia also cooperate closely in multilateral forums such as the Five Power Defence Arrangements and the ASEAN Defence Ministers' Meeting-Plus. The bilateral security and defence agreements reflect a deep trust between the two states and a shared understanding of the importance of promoting regional order and stability.

If anything, the COVID-19 pandemic crisis has provided greater impetus for Australia and Singapore to work more closely together to reinforce their relationship built on similarities and shared interests for a rules-based regional order that is stable and peaceful. I would like to highlight two particular issues here: regional economic recovery and China.

The latest Singapore-based ISEAS-Yusok Ishak Institute State of Southeast Asia Survey showed most ASEAN countries are worried about domestic economic recovery and rising inequality resulting from COVID. Singapore (and Vietnam) has done well in containing and managing the fallout from COVID-19 but despite so, its national recovery is tied to, and will be affected by economic recession in the region. Australia could work closely with Singapore in stepping up regional economic integration to: i) ensure supply chains remain open for essential items such as medical supplies and intermediate items; and ii) promote economic resilience within South East Asia.

One way to achieve this is through the implementation of the Regional Comprehensive Economic Partnership (RCEP), which is expected to be a driver of the recovery of its member countries in a post-pandemic era. RCEP has the potential to harmonise rules and facilitate business transactions across the multiple and overlapping Free Trade Agreements in the region, that will ultimately benefit not just the big players but also small and medium enterprises which form the bedrock of most of the Southeast Asian economies.

The current crisis has accelerated digital transformation and underscored its importance for mitigating the economic slowdown and speeding up recovery. Digital commerce can be used to unlock a wider consumer base during the pandemic and in the long term. The digital economy in Southeast Asia has been estimated to be worth some $300 billion by 2025. However ASEAN governments are challenged to address the digital divide across and within ASEAN in infrastructure, skills, and rules and regulations regarding privacy, security and ethics. In this respect, the newly created Digital Economy Agreement between Australia and Singapore could help drive the setting of regional standards in a range of areas such as trade facilitation, data sharing, data storage, data protection, digital identities, fintech, e-payment, etc.

On China, Australia could draw lessons from Singapore in navigating relations with its largest trading partner. As like-minded middle powers, Australia and Singapore are not without agency in responding to a hardening US-China competition and a more contested Indo-Pacific region. Both countries have concerns about China's growing economic and strategic influence in the region and like Australia, Singapore has been at the receiving end of economic retaliation and political censure.

The geopolitical and security landscape in Southeast Asia is rapidly evolving and entering a period of heightened contestation. The shared interests and values between Australia and Singapore should provide a sense of unity and collaboration in such unprecedented times. The similarities should not be overlooked and should be utilised to deepen and expand the already strong bilateral relationship between the two countries.

*Chen Chen Lee is a diplomacy adviser at Asialink.*
*Catherine Hooton is an intern at Asialink.*

# Thailand protests while Australia watches from the sidelines

Following the lifting of the COVID-19 curfew in May 2020, Thai youngsters led a series of nationwide protests demanding the resignation of Prime Minister Prayut Chan-o-cha, a Constitutional amendment, and a reform to the monarchy. From July – December 2020, according to the Human Rights Lawyer Association, there had been 898 political assemblies all over the country.

The Thai government has responded to the protesters' demands by turning to the law to persecute dissenters and run an authoritarian disinformation campaign. Computer Crime Act and Penal Code's Article 112 (lèse-majesté) and Article 116 (sedition) were used to criminalise freedom of expression, especially the critical anti-government comments on social media platforms. State of Emergency Decree and COVID-19 temporary laws were also invoked to disrupt and litigate against peaceful demonstrations.

During this time, the military engaged in social media manipulation, trying to attack and discredit the democratic movement and its key leaders with fake accounts and trolls.

As a result, a number of young human rights defenders that reinvigorated political activism in Thailand have been charged and arrested. Some as young as 16 were prosecuted; while others face harassment and hate speech both online and offline.

In response to the increase in online manipulations, in October 2020, Twitter revealed and suspended a network of 926 accounts related to the Royal Thai Army (RTA), which executed information operations. In March 2021, Facebook took similar action by taking down 185 Facebook and Instagram military-run accounts engaged in information operations in Thailand.

Foreign dignitaries have expressed concerns over Thailand's democratic backsliding, the suppression of fundamental freedoms and the legal persecution of human rights defenders. In Germany and Sweden, members of parliaments questioned their foreign ministers over the situation in Thailand and their countries' policy response. In Germany, MPs went so far to scrutinise whether politics concerning Thailand had been conducted from the German soil.

Unfortunately, Australia is nowhere near to this issue in its Track II Diplomacy. So far Australia has been eerily silent on what is transpiring in Thailand. Worse, it comes across as being insensitive to the domestic audiences.

On the week of 15 February 2021, Australia's Embassy in Bangkok invited the King and the Prime Minister to preside over the screening of a documentary about the King's time in Australia. This was the very same week as a vote of no confidence was taking place in parliament. Protesters took to the streets demanding reforms, but were faced with excessive force from the police, while key activists were put behind bars two weeks beforehand due to lèse-majesté charges.

This diplomatic fiasco revealed a gap in the short and medium term in engaging with actors who operate in civic space (e.g. civil society organisations and people of the host country) when civil and political rights are concerned, because current foreign service actors do not work in this area, nor show willingness to consider the change.

One may argue that Australia does engage in building people-to-people relations. However, this is via a very narrow framework, as it is more often than not based mainly on the pillars of education and tourism. In other words, it is a siloed approach only encouraging Thais to travel and study in Australia universities.

For example, the Australia-Thailand Education Cooperation is currently based on an MOU signed in 2012 which focuses on cooperation between government, educational and training institutions. Australia Awards in Thailand, with the stated aim of 'building enduring people-to-people links,' only provides for Thai government officials and not others.

Defence cooperation between the two countries pivots on senior officer visits, exchange postings, exercises and training opportunities, which include master's level courses and language training provided by Australian universities and defence colleges.

On its social media engagement, apart from reporting Ambassador's official visits to Thai institutions, most of the messages are curated towards promoting tourism in Australia such as recommendations on popular tourist destinations in Australia, showcasing a local social media influencer and virtual tourism.This is a limited and narrow people-to-people engagement.

Australia needs to take a step back and reflect upon its partnership with the people of Thailand. Its risk aversive behavior of not wanting to engage with civil society actors is consistent with the values of the privileged Thai-Chinese elites with whom Australian elites interact. It is no surprise in the closed circle of the elites, Australia's Thai interlocutors will praise and encourage it to stick to its current initiatives.

The Thailand example showcases Australia's country level engagement in Southeast Asia. It is mainly elite based and out of touch with democratic front liners in the country.

*Yawee Butrkrawee is the Program Coordinator at the Asia Centre.*

# Australia and the Philippines: prospects for engagement

Australia-Philippine relations have remained steady in the last couple of years, but neither partner can afford to rest easy. Some interesting developments are rooted in the domestic dynamics of the Philippines, where preparations for the 2022 presidential elections have begun.

While the Duterte administration's so-called 'pivot to China' is no secret, it is unclear whether members of the country's security community share the perspective of the current political leadership. The 2020 study on *National Security Priorities and Agenda of the Philippines: Perceptions from the Filipino Strategic Community* is helpful in providing empirical evidence on the points of convergence and divergence within the Philippines' national security apparatus.

The study surveyed military and uniformed personnel, civilian bureaucrats within and outside the security sector, as well as academics and representatives from the private sector. It consisted of four categories: national security policy documents and approaches, an evaluation of the performance of the national administration, foreign relations, and security sector governance and reform.

The overall findings reveal two things. One, while the Philippines has sound policy doctrines, the devil is in the detail. It is in the implementation where challenges and loopholes emerge. This is indicative of the need to strengthen domestic structures. Another thing that the study reveals is the arbitrary prioritisation of internal and external security issues where decisions are mostly based on instrumentality and patronage politics.

The two most interesting findings germane to the Australia-Philippine bilateral relationship are the perceived national security issues on one hand, and the preferred security partner-countries on the other. The top three pressing national security issues based on the survey were the COVID-19 pandemic, terrorism and violent extremism, and the communist insurgency. The fact that terrorism is still high on the list indicates that the focus of the Australia-Philippine security cooperation is where it should be. In fact, the overarching framework of the Visiting Forces Agreement forms the backdrop of continuing engagement in this area.

Other issues are cybersecurity and disinformation. These are emerging but critical areas and strengthening cyber infrastructures can only improve the cooperative mechanisms that existing partnerships already have in place. This can likewise put partners in a better position to combat threats like terrorism and violent extremism, as well as improving the coordination mechanisms for humanitarian assistance and disaster relief efforts.

Apart from the perceived national security issues, the survey also found that despite the Duterte administration's pivot to China, only 27.6% of the surveyed members of the Philippine strategic community prefer China as a security partner. The top three choices are Japan, the United States, and Australia. In fact, 80.2% of the respondents preferred Australia as a partner.

Given these findings, the Australia-Philippine bilateral relationship can indeed maintain its steady pace, providing that these domestic dynamics are considered. Of course, this may, in the long run, prove to be challenging, not least because of regional dynamics that have China as their crux. The pandemic may have pushed regional security concerns like maritime security to the background, but they are by no means resolved. While it may seem like business as usual in geopolitics and regional security, the real battle is brewing in the economic realm. Indeed, China has already made some headway here, including waging trade wars with the United States and Australia.

This is where diplomacy can play a critical role. There is a premium placed on the rules-based international order, and public diplomacy can ensure that this order remains as inclusive as possible without losing its moral foundations. With tensions remaining high, people-to-people connections now more than ever play a crucial, yet fundamental role. Transitioning to more online platforms necessitates retaining our human connections. People-to-people exchanges used to take the form of scholarships or exchange programs. Those should remain, but with a few tweaks to accommodate the new normal, perhaps merging these initiatives with Track 2 and think-tank engagements.

Thus, at the bilateral level, the Australia-Philippine relationship can continue its steady pace by paying even closer attention to domestic politics. The pieces are falling into place as 2022 nears and the comprehensive partnership needs to remain nimble if it aims to continue to be relevant. Meanwhile, at the regional level, geopolitical and security issues have been temporarily shelved, but it is the economic realm where we need to watch out. Managing potential problems requires tapping diplomacy channels and strengthening people-to-people connections as we transition to a post-COVID-19 world.

*Charmaine Misalucha-Willoughby is Associate Professor of International Studies at De La Salle University, Manila.*

# Why leadership matters in the Indonesia-Australia relationship

Relations between Indonesia and Australia have grown relatively steadily in the last decade, especially when leaders could get along well. Leaders of the two countries signed the Comprehensive Strategic Partnership (CSP) in 2018, the Comprehensive Economic Partnership Agreement in 2019 and engaged in Regional Comprehensive Economic Partnership in 2020. Nevertheless, in the time of global health crisis caused by the pandemic of COVID-19, relations between Indonesia and Australia are tested: can the two countries cooperate to overcome the pandemic? Or at least, can the two maintain stable and constructive relations?

The pandemic does not only create a global health crisis but also compels countries to the very core of their self-centered behaviors. With COVID-19 spreading speedily and ferociously, countries around the world - both developed or less developed - have responded with panic. From stockpiling medical equipment to securing food supplies, from undermining science for political expediency to accusing other countries of the same, from locking down their cities to closing their borders or taking isolationist policy. All have strived to survive, some at any cost.

At the same time the traditional power politics and economic competition among major countries continue, creating enormous obstacles consolidating coordinated global responses to the pandemic.

Under these circumstances, Indonesia and Australia have the choice to be inward looking or neighbourly. In the time of the pandemic, the two neighbouring countries seem to be trapped in a common dilemma in international relations: on one side, wanting to maintain the momentum of good relations deepened previously by President Joko Widodo and former PM Malcolm Turnbull, but on the other side, compelled to take pragmatic moves and clutching to reliable partners – and finding out that they do not belong to each other's reliable clubs.

The pandemic has abruptly changed the way countries interact. There are no more "cocktail parties" or "side talks", as almost all communication and diplomatic events were converted to online meetings. This condition has placed significant limitations to commonly practiced diplomatic traditions between Indonesia and Australia.

In addition, the role of leaders created significant impacts on Indonesia-Australia relations. President Widodo's personal relations with Turnbull cannot be matched by current Prime Minister, Scott Morrison.

These two circumstances, together with border closing and others, are probably the reasons behind the absence of the annual leaders' meeting and "2+2" meeting in 2020.

In matters of support, the Australian government has offered a AUD$1 billion standby loan to Indonesia to counteract China's robust vaccine diplomacy, but there is no data available on the real execution of aid and the effectiveness of the pledged loan.

In global affairs, Indonesia and Australia have mixed positions. Both countries have joined the global movement to ensure rapid and fair access to COVID-19 vaccines led by the WHO. Australia also joined the US in questioning China on the origin of COVID-19, which Indonesia did not. It seems that traditional allies and pragmatic engagements with other major powers remain significant in determining Indonesian and Australian foreign policies, even during a pandemic.

The general picture of relations between Indonesia and Australia seems to be determined by states' policies and state-to-state interactions carried out by top officials. But leaders' relations are not stable and a wider base of participants in the two countries' relations needs to be strengthened and supported.

If business communities are not interested due to risk, then people to people relations should be emphasised. These have become the second pillar of Indonesia and Australia's relationship, and are arguably more stable and more genuine.

However, this kind of relationship also needs time and resources to nurture as they deal with personal, social and cultural dimensions of involved actors. Investing in wider groups of young people and in more robust educational programs can be significant strategies. Future generation in both countries need to be educated to respect differences and to control bias, as well as to find better ways to collaborate in the time of - hopefully - post COVID-19.

*Dr Evi Fitriani is an Associate Professor of International Relations at Universitas Indonesia.*

# COVID-19's impact on Indonesia's domestic and regional security

With over 1.6 million cases and over 45,000 deaths, Indonesia has been the Southeast Asian state hardest hit by COVID-19. With the large scale rollout of the Chinese-made CoronaVac, Jakarta is counting on the vaccine to lift the economy out of recession and kickstart tourism in places like Bali. Besides the dire economic, health and social impacts, coronavirus has also had an ambivalent effect on both Indonesia's domestic and regional security.

The first impact has been the military's obvious presence in helping to manage the pandemic, from decision making, enforcing social distancing and distributing PPE. Head of the National Disaster Mitigation Agency, Lieutenant General Doni Monardo was also appointed to lead the COVID-19 taskforce. In late 2020 Luhut Binsar Panjaitan, Coordinating Minister for Maritime Affairs and Investment and a former army general, was placed in charge of halting the spread of COVID-19 in nine provinces with the highest transmission rates.

Such appointments reinforce the perception that emergency responses require the discipline and firm hand of the military. It is also part of a broader trend of former generals in the Jokowi government and shapes longer term civil-military relations.

From a pragmatic standpoint, however, the military's role is critical in managing the pandemic in a sprawling archipelago. Its territorial presence, designed to counter potential unrest in remote areas and build community ties, allows soldiers to respond quickly and efficiently t o natural disasters, including pandemics.

In addition to the military, the police and intelligence agencies have also played an important part in enforcing social distancing and isolation regulations. For instance, authorities have used information security laws to crackdown on fake or hoax news.

However, there have been concerns that these kinds of practices have been extended to muzzling civil society groups critiquing or cracking down on protests against the president's controversial Omnibus Law. Rights in digital space have declined last year, and news outlets who criticised the government's handling of COVID-19 have also been impacted. While COVID-19 is not the prime cause for this weakening, it has added pressure on democratic consolidation.

COVID-19 also complicates Indonesia's regional relations. Beijing has been an important source of donated medical supplies, Indonesia was also the first country to give Sinovac's CoronaVac the green light. However, lurking in the background of this diplomacy is China's maritime intimidation of Indonesia, the most recent high profile case of which involved no less than 60 ships in Jakarta's Exclusive Economic Zone (EEZ) in December 2019 and January 2020. Despite assistance during the pandemic and the need for continued infrastructure investment from Beijing, Indonesia has been willing to stand firm against similar actions in the region from China, issuing a note verbale in May 2020 affirming the latter's nine-dash line territory claim lacked any legal basis.

With newly built facilities in the Spratly islands, China has been increasingly able to sustain ships further and further away from undisputed territory. How Indonesia juggles a domestic health crisis while managing rifts in ASEAN and holding back Chinese incursions is the fundamental challenge.

On the domestic security front, Australia must provide support to Indonesia in ways that recognise its limited influence in politics and society. This means supporting Indonesia's security forces and agencies to carry out their duties in ways that don't contradict the democratic practices that Indonesia itself values, such as freedom of the press, and maximising community support.

On the regional security front, one priority will be supporting Indonesia's efforts to enforce international law in the South China Sea. Despite COVID-19 restrictions, a number of bilateral and multilateral exercises focussed on maritime defences went ahead last year. The key will be maintaining current engagement through virtual means or finding ways around that. In particular, exercises such as coordinated patrols which do not require contact between crews are critical in developing Australian and Indonesian navy personnel ties and improving communication.

Overall, Indonesia's COVID-19 challenge is formidable. While relief is on the horizon, its domestic institutions and regional security defences are being put to the test. Whatever the case, Indonesia will need the support of its partners if it is to take its place as leader in the Indo-Pacific region.

*Natalie Sambhi is Executive Director of Verve Research.*

# Authors

**Natalie Sambhi**
Executive Director of Verve Research

Natalie is Executive Director of Verve Research, an independent research collective focussed on the relationship between militaries and societies in Southeast Asia. She is also a Non-resident Fellow with the Brookings Institution's Foreign Policy Program and a PhD scholar at the Strategic and Defence Studies Centre, the Australian National University, focussing on Indonesian military history.

---

**Dr Evi Fitriani**
Associate Professor in International Relations at Universitas Indonesia

Dr Evi Fitriani is an Associate Professor of International Relations, Faculty of Social and Political Sciences, Universitas Indonesia. She is also Indonesian Country Coordinator of the Network of East Asian Think-tanks (NEAT) of ASEAN Plus Three (APT). She publishes on Indonesia's foreign policy, ASEAN, Asian regionalism and China, Indonesia-Australia, and Asia-Europe relations

---

**Malcolm Cook**
Visiting Senior Fellow, ISEAS-Yusof Ishak Institute in Singapore

Malcolm Cook is a Visiting Senior Fellow at the ISEAS-Yusof Ishak Institute in Singapore. Concurrently, he is a Visiting Fellow at the National Security College of the Australian National University and a Non-resident Fellow at the Lowy Institute in Sydney. Malcolm has lived and worked in Canada, Japan, South Korea, the Philippines, Singapore and Australia.

---

**Chen Chen Lee**
Advisor (Diplomacy) to Asialink

Chen Chen Lee is an Advisor (Diplomacy) to Asialink at the University of Melbourne. She is also a Senior Fellow with the Singapore Institute of International Affairs, the country's oldest think tank and founding member of the ASEAN-ISIS network of think tanks.

---

**Dr James Gomez**
Regional Director at the Asia Centre

Dr James Gomez is Regional Director, at the Asia Centre. Dr Gomez currently oversees the Centre's operations and leads its project partnerships in the region. Dr Gomez brings to Asia Centre over 25 years of international and regional experience in stakeholder dialogue and media engagement at various institutions.

---

**Dr Charmaine Misalucha-Willoughby**
Associate Professor in International Studies at De La Salle University

Dr Charmaine Misalucha-Willoughby is Associate Professor in the International Studies Department of De La Salle University. Her areas of specialization are ASEAN's external relations, security cooperation, and critical international relations theory.

**Dr Jeffrey Wilson**
Research Director at Perth USAsia Centre

Dr Jeffrey Wilson is the Research Director at the Perth USAsia Centre. He provides leadership and strategic direction in developing the Centre's research program across its publications, policy and dialogue activities. He specialises in the regional economic integration of the Indo-Pacific, with particular expertise in the politics of trade agreements, regional economic institutions, and Australia's economic ties with Asia.

---

**Dr Huong Le Thu**
Senior Analyst at the Australian Strategic Policy Institute (ASPI)

Dr Huong Le Thu is a senior analyst the Defence and Strategy Program at the Australian Strategic Policy Institute. Dr Le Thu's research has been published with *The Pacific Review, Oxford University Press, Cambridge University Press, NBR Asia Policy, The Financial Times, BBC, CNBC, Nikkei Asian Review, Global Asia, The Straits Times, Japan Times, Taipei Times, Australian Financial Review*, among others.

---

**Dr Robin Ramcharan**
Executive-Director of Asia Centre

Dr Robin Ramcharan is Executive-Director of Asia Centre. He supervises and coordinates all of the Centre's research outputs that include, books, baseline studies, reports, policy briefs and commentaries. Dr. Ramcharan has over 25 years working for intergovernmental organisations, not for profit organisations, public and private universities, research institutes and think-tanks.

---

**Dr Lina Alexandra**
Senior Researcher in International Relations at CSIS Indonesia

Lina A. Alexandra is a Senior researcher in the Department of International Relations, CSIS Indonesia. She holds a PhD degree from the University of Queensland, Australia. Her research interests are on Indonesian foreign policy, regional security, and conflict resolution. She has published journal articles, research reports, and opinion pieces related to Indonesia's role in ASEAN and its peacekeeping and peacebuilding policies.

---

**Yawee Butrkrawee**
Program Coordinator at the Asia Centre

Yawee Butrkrawee has over 6-year experience working in government, INGO, media and think-tank sectors. His duties include communicating with partners, program coordination and implementation, research and analysis. His focus has been monitoring and tracking human rights issues in Southeast Asia with special emphasis on Thailand, Malaysia, Philippines, Singapore and Vietnam.

---

**Professor Caitlin Byrne**
Director of the Griffith Asia Institute

Professor Caitlin Byrne is Director, Griffith Asia Institute. She is a Fellow of the Australian Institute for International Affairs (AIIA) and Faculty Fellow of the University of Southern California's Centre for Public Diplomacy (CPD). Caitlin's research focuses on Australian diplomacy with a special interest in Australia's engagement in the Asia-Pacific region.


**Contact:**

La Trobe Asia
La Trobe University
Melbourne, Victoria 3086
**T** +61 3 9479 5414
**E** asia@latrobe.edu.au

@latrobeasia

latrobe.edu.au/asia