Entry of ASEAN's New Dialogue Partners: Status of Pakistan's Request

Amna Ejaz Rafi, February 2022

POLICY BRIEF



Executive Summary

Southeast Asia is bordered on the north by China, on the east by the Pacific Ocean, on the south by the Indian Ocean and on the west by the Indian Ocean, the Bay of Bengal, Bangladesh and India. ¹ The region is a gateway between South Asia and larger Asia Pacific region (Myanmar shares 271 kilometers with Bangladesh).²

Pakistan's "Vision East Asia" policy was launched in 2003. The policy aimed at enhancing economic ties and geopolitical integration with Southeast Asia. The policy was initiated during General Musharraf's era who had a wider vision and devised a strategy to look beyond South Asia. It was a step towards trans-regionalism and had the Pakistan-ASEAN economic equation developed, the next step would have been military ties with regional countries. With political presence in Southeast Asia, Pakistan could have also institutionalized cooperative ties with Australia and Japan. This would have strengthened Pakistan's position in the region vis-à-vis the political developments of Quad (Quadrilateral Security Dialogue) and the Indo-Pacific construct.

Analysis

Pakistan is a Sectoral Dialogue Partner (SDP) of Association of Southeast Asian Nations (ASEAN) since 1997. The eight areas identified for cooperation are trade, industry, investment, environment, science and technology, drugs and narcotics, tourism and human resource development.³ Pakistan has proposed collaboration in three additional categories namely information technology, agricultural research, transport and communication.⁴ Pakistan has not been able to make significant inroads in Southeast Asia. Besides, there has not been any worthwhile progress on the economic side. The Pakistan-ASEAN bilateral trade stands at US\$ 6.3 billion (in comparison the India-ASEAN trade is US\$ 200 billion).⁵ The Pakistan-ASEAN joint Free Trade Agreement (FTA) feasibility study was initiated in 2009. However, little headway was made since then and it appears to have faded away.

ASEAN as a collective boasts the 5th largest economy in the world. The ASEAN-China trade is US\$ 731.9 billion. Pakistan's quest to attain Full Dialogue Partner (FDP) status with ASEAN and membership of the ASEAN Regional Forum (ARF) is essential to reap the economic benefits of the region. Pakistan can learn from the successful industrialization of Singapore,

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¹ Encarta – Encyclopedia – 2009.

² Taufiq-E-Faruque, "Sino-Indian Geostrategic Competition: Bangladesh Perspective," *ELK Asia Pacific Journal* of Social Sciences 5, Issue 1 (2018): 5, accessed May 10, 2021, https://www.researchgate.net/publication/335164097_SINO-

INDIAN_GEOSTRATEGIC_COMPETITION_BANGLADESH_PERSPECTIVE/link/5d53fd7a299bf16f0736 e822/download.

³ Dr Mehmood Ul Hassan Khan, "Pakistan-ASEAN Economic Integration: An Expert Opinion," *ANKASAM*, July 5, 2021, accessed October 26, 2021, https://www.ankasam.org/pakistan-asean-economic-integration-an-expert-opinion/?lang=en.

⁴ Hassan Khan, "Pakistan-ASEAN Economic Integration: An Expert Opinion."

⁵ Khan, "Pakistan-ASEAN Economic Integration."

Malaysia and Thailand. Besides, Pakistan's access to ASEAN will widen the geopolitical horizon.

To attain the FDP with ASEAN, it is mandatory to have consent of all the 10 member ASEAN states.⁶ Pakistan's FDP status with ASEAN has been opposed by Singapore, Philippines and Vietnam.⁷ Dr. Nazim Latif, Joint Secretary Commerce Division, Ministry of Commerce and Textile statement on Pakistan's entry into ASEAN plus six (China, Japan, South Korea, India, Australia, New Zealand), "Singapore under the influence of India while Philippines and Vietnam due to Pakistan's policies toward China are opposing and blocking Pakistan's entry to the ASEAN plus six." ⁸

Pakistan's political outlook in the wake of CPEC is an advertent shift towards geo-economics. Pakistan will be a pivot to South, West and Central Asia connectivity. Thus, Pakistan's foreign policy has become trans-regional with more focus on economic integration. The corridor between Kashgar and Gwadar will open up prospects of trading ties between the two regions. However, the ASEAN countries relations with China, especially in view of conflicting claims in South China Sea⁹ might make Pakistan a less attractive corridor for trade. The ASEAN countries might see Pakistan from a Chinese lens. As mentioned by an Indonesian Jusuf Wanandi: "China will always be seen as posing a threat to Southeast Asia, in view of its size and past experiences in which China considered Southeast Asia as within her sphere of influence."¹⁰ The ASEAN-India economic engagement and security ties might also put Pakistan in a disadvantaged position. In the words of Luhut Pandjaitan, Indonesia's Minister for Maritime Affairs, "India and Indonesia relations are important to the balance of power in Asia."¹¹

India's FDP status with ASEAN, a Lesson for Pakistan

India's relations with ASEAN have been central to the former's ingress in the larger Asia Pacific region. The India-ASEAN political interaction encompasses military ties along with economic relations.¹² In January 2018, leaders from ASEAN countries visited India to

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⁶ "Three Member States Blocking Pakistan's Entry to ASEAN: Ministry," *Business Recorder*, March 1, 2018, accessed October 25, 2021, https://fp.brecorder.com/2018/03/20180301348058/.

⁷ "Member States Blocking Pakistan's Entry to ASEAN: Ministry."

⁸ "Member States Blocking Pakistan's Entry to ASEAN."

⁹ David Lai, "Asia Pacific: A Strategic Assessment," (US Army War College: Strategic Studies Institute-SSI, 2013): 33 - 34, accessed November 1, 2021, http://www.StrategicStudiesInstitute.army.mil/.

¹⁰ Aileen S.P Baviera, "China's Relations with Southeast Asia: Political, Security and Economic Interests" (paper, PASCN Discussion Paper No. 99-17, Philippines APEC Study Center Network, Philippines, 1999), 8, accessed October 25, 2021, https://pascnpids.gov.ph/files/Discussion%20Papers/1999/pascndp9917.pdf.

¹¹ Vinay Kaura, India-Indonesia Relations and Indo-Pacific Security," *Asia Pacific Bulletin*, No. 437, August 15, 2018, accessed October 26, 2021, https://www.eastwestcenter.org/publications/india-indonesia-relations-and-indo-pacific-security.

¹² Danielle Rajendram, "India's New Asia Pacific Strategy: Modi Acts East," (Sydney: Lowy Institute for International Policy, December 2014), 8, accessed November 10, 2021, https://www.lowyinstitute.org/sites/default/files/indias-new-asia-pacific-strategy-modi-acts-east.pdf.

commemorate the 25 years of India-ASEAN ties. The ASEAN leaders attended the Republic Day celebrations (January 26, 2018).¹³

India's political ties with Southeast Asia from attaining the SDP status (1992) to becoming the FDP (1996) with ASEAN ¹⁴ shows the institutional ingress in Southeast Asia.¹⁵ The India-ASEAN FTA is in place since 2009,¹⁶ while the India-ASEAN Agreement on Trade in Services and Investments was inked in 2015¹⁷ and the trade volume stands to the tune of US\$ 70 billion.¹⁸ India participates in Summit Level Meetings with ASEAN¹⁹ and also has representation in East Asian Summit platform (member countries 18).²⁰ On the bilateral front, India has trading ties with Southeast Asian economies. Singapore is one of the top sources of Foreign Direct Investment (FDI) to India.²¹ Indonesia provides 60 percent of India's coal imports.²² India and ASEAN relations, other than "economic and trade tracks," have also focused on building defence and security cooperation. The establishment of the ASEAN Defence Ministers Meeting Plus forum of ten ASEAN and eight non-ASEAN countries, including India is seen as an effort to establish open and inclusive security architecture for the region." The security of Sea Lines of Communications-SLOCs (Malacca, Sunda, Lombok) are of interest to India,²³ as India's 55 percent of trade traverses through the Malacca strait; India ships oil from Russian oilfields of Sakhalin (North Pacific Ocean) to Mangalore in Southern India transiting from Singapore and Malacca (Southeast Asia).²⁴ India funds the Tripartite Technical Expert Group (TTEG); the group administers the strait of Malacca.²⁵

India within the framework of 'Look East Policy' has not confined the engagement with ASEAN states alone, rather it has extended the geographic focus to Northeast Asia and Oceania

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¹³ Vibhanshu Shekhar, "India's Relations with ASEAN: Posture Versus Reality," Asia Pacific Bulletin, No. 412,February13,2018,accessedNovember11,2021,https://www.eastwestcenter.org/system/tdf/private/apb412.pdf?file=1&type=node&id=36519.No. 412,Control of the second se

¹⁴ Rup Narayan Das, "America's Pivot to Asia and India's Nuanced Approach," in Asian Strategic Review 2014: US Pivot and Asian Security, eds. S.D. Muni and Vivek Chadha (New Delhi: Pentagon Press, 2014), 220, accessed October 30, 2021, http://idsain/system/files/book_ASR2013_0.pdf.

¹⁵ Dhruva Jaishankar, "Acting East: India in the Indo-Pacific" Impact Series, report (New Delhi: Brookings India, 2019, 20, accessed November 11, 2021, https://www.brookings.edu/wp-content/uploads/2019/10/Acting-East-India-in-the-INDO-PACIFIC-without-cutmark.pdf.

¹⁶ S.D. Muni and Rahul Mishra, "Look East Policy (1992-2914): Streamlining and Restructuring Engagement" in India's Eastward Engagement: From Antiquity to Act East Policy (New Delhi: SAGE Publications, 2019), 189.

¹⁷ Muni and Mishra, Look East Policy (1992-2014): Streamlining and Restructuring Engagement, 233.

¹⁸ Look East Policy: Streamlining and Restructuring Engagement.

¹⁹ Das, "America's Pivot to Asia and India's Nuanced Approach," 220.

²⁰ America's Pivot to Asia and India's Nuanced Approach.

²¹ Bart Gaens and Olli Ruohomaki, "India's 'Look East' – 'Act East' Policy: Hedging as a Foreign Policy Tool" (Briefing Paper 222, Finish Institute of International Affairs, Helsinki, 2017), 6, accessed November 11, 2021, http://storage.googleapis.com/upilive/2017/10/bp222 indias-look-east-act-east-policy.pdf.

²² India's Look East – Act East Policy: Hedging as a Foreign Policy Tool.

²³ Das, "America's Pivot to Asia and India's Nuanced Approach", 220 - 221.

²⁴ Manjeet S. Pardesi, "India, US in East Asia: Emerging Strategic Partnership," (paper, Rajaratnam School of International Studies (RSIS) Commentaries, no. 54/2011, Nanyang Technological University, Singapore, 2011), accessed on January 25, 2021, https://www.rsis.edu.sg/rsis-publication/rsis/1526-india-us-in-east-asia-emerg/#.W79rb_kzbZ4.

²⁵ Adil Rashid, "Maritime Security Dynamics in Indian Ocean: Pak-China-India" in *Major Powers' Interests in Indian Ocean: Challenges and Options for Pakistan* (Islamabad: Islamabad Policy Research Institute, 2014), 121, accessed November 10, 2021, http://www.ipripak.org/wp-content/uploads/2015/08/Indian-ocean.pdf.

as well.²⁶ The government of Prime Minister Narendra Modi has upgraded the diplomatic interaction with Asia Pacific. The new term coined to describe India's political interaction with Asia Pacific is "Act East Policy". The policy was announced during the India-ASEAN Summit held in Myanmar capital, Nay Pyi Taw (November 2014). Upon announcing the Act East policy, Prime Minister Modi said: "An era of economic development, industrialization and trade has begun in India."²⁷

Recommendations

- Pakistan's inability to secure FDP status with ASEAN is an outcome of an inconsistent approach. This inconsistency at the ASEAN front has deprived Pakistan of the economic benefits. The change in governments should not impact the country's national interest, neither the political party in power should abruptly end the predecessor's policies.
- The ASEAN member countries namely Cambodia, Laos, Myanmar and Vietnam have benefited from the ASEAN-Pakistan Cooperation Fund in aiding their human resources development, including offering scholarships and English language training. Similar initiatives should be undertaken to strengthen people-to-people interaction with the entire ASEAN region.
- The government in coordination with the education sector needs to facilitate the schools and universities in reaching out to ASEAN countries academia. Students from Pakistan through video conferencing and other joint study projects need to interact with their fellow students in ASEAN countries.
- Cultural cooperation through media links and artists exchange programmes is needed to enhance societal interaction.
- The Pakistani diaspora in ASEAN region should be engaged to promote Pakistan's image.
- Pakistan may host ASEAN activities in Islamabad and maintain contacts at the highest political level to make an ingress into the ASEAN's decision making bodies.
- Pakistan should focus on bilateral trade with the ASEAN member states which may impact the decisions of those states opposing Pakistan's entry as FDP.
- The ASEAN countries should be approached to invest in the Special Economic Zones (SEZs) being built under the CPEC framework. CPEC may be used for their exports to ASEAN market.
- A close liaison between Pakistan and ASEAN on security, radicalization and terrorism is recommended. The joint security forum will help Pakistan in projecting its image as a moderate and diverse country in region. In this context, the Pakistan-ASEAN joint declaration to Combat Terrorism signed in 2005 needs to be revamped.



²⁶ Danielle Rajendram, "India's New Asia Pacific Strategy: Modi Acts East," (Sydney: Lowy Institute for International Policy, December 2014), 2 and 3, accessed November 11, 2021, https://www.lowyinstitute.org/sites/default/files/indias-new-asia-pacific-strategy-modi-acts-east.pdf. ²⁷ Muni and Mighra "Act Fact Policy (2014). How Different How Successful?" 107

²⁷ Muni and Mishra, "Act East Policy (2014 –): How Different, How Successful?" 197.

• Pakistan should engage the ASEAN countries in military domain. Bilateral training facilities and joint exercises may be initiated. The maritime exercises between Pakistan and Malaysia, Indonesia and Singapore should be extended to include other ASEAN states.



