



U.S.-ASEAN Relations: Riots in Seattle and Tensions Elsewhere

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Many events signaled a downward slide in U.S. relations with ASEAN members this quarter including Southeast Asian accusations of U.S. mismanagement leading to the failure of the WTO Seattle summit and difficulties in important bilateral relationships. Philippine nationalist sensitivities brought about by a visit from a U.S. nuclear powered submarine and the prospect of joint exercises led to unsteady progress in Philippine-U.S. military relations. Indonesian-U.S. relations remained fraught with ambivalence in this quarter as the U.S. warmly endorsed the democratic proclamations of President Abdurrahman Wahid's new government while expressing concern about the Indonesian military's (TNI) refusal to accept responsibility for the depredations in East Timor.

The WTO Debacle

America's global embarrassment at the Seattle World Trade Organization (WTO) summit in December was made palpable by television images sent round the world of a small band of anarchists trashing downtown storefronts. The chaos on Seattle's streets mirrored the miscalculations at the talks. Not only did U.S. allies in Europe and Japan dig in their heels on long-running trade disputes over agriculture and steel, but trade ministers from developing countries also lashed out at the United States on environmental and labor issues.

President Clinton had hoped that the Seattle summit would provide his administration with one last free trade victory. Ironically, he has never been in accord with U.S. labor unions or those environmentalists who insist on immediate universal standards. Rather, he thought he could convince both developing countries and U.S. labor and environmental representatives to accept gradual change as the global economy developed. By emphasizing the contribution of better environmental conditions and rising labor standards to developing states, Clinton also thought he could convince them that they could still maintain their low-cost competitive advantage.

As it played out in Seattle, however, both developed and developing states as well as U.S. labor and environmental representatives rejected the Clinton administration's proposals. Smaller, poorer nations feared an ever more powerful American-dominated trade organization that would dictate wage rates and working conditions as well as the kinds of fuel they could burn and the kinds of magazines and books that they had to let in their countries.

Thai media complained that the WTO meeting was so poorly organized there was no working text of resolutions; that a handful of industrial states dominated the drafting process,

circulating changes exclusively among themselves; and that even when a developing country such as Thailand was approached to chair a working group, they declined because of the perception that the groups were only created to ratify decisions already reached behind the scenes.

Both Thai and Philippine media complained of U.S. pressure to have the WTO consider labor issues. Developing states agreed that these efforts were an inappropriate attempt to involve a trade body in the domestic affairs of states. The whole exercise was condemned as a thinly disguised attempt to protect high labor cost manufactures in industrial countries. Thai Deputy Prime Minister Supachai Panitchpakdi, who is scheduled to become WTO chief in 2002, declared that the Seattle failure should be seen as a "wake-up call for the West that the interests of developing countries must be seriously taken into consideration." Other Thai officials attributed the Seattle failure to Clinton's effort to put domestic politics before the success of the WTO meeting.

President Clinton responded to these criticisms on December 8, stating that it was unrealistic to believe that international economic agreements could avoid dealing with issues such as workers' rights and pollution. He also insisted that he was not threatening developing states with sanctions if they did not conform to developed states' labor and environmental standards. These issues will continue to plague WTO negotiations as the new century dawns.

Philippine-U.S. Military Relations

The United States and the Philippines are revitalizing military ties after the Philippine Senate's approval of the Visiting Forces Agreement (VFA) in May 1999. Nevertheless, Philippine sensitivities over what are perceived as American slights with respect to Philippine sovereignty continue to bedevil the relationship.

Large-scale joint exercises under VFA auspices are scheduled for mid-February to mid-March 2000, involving 2000 U.S. troops. This will be the first large exercise since 1995. Its primary purpose is to allow Philippine and U.S. forces to maneuver together and to give Philippine forces some experience with modern American equipment.

Both countries have also established an interagency working group to assess the Philippines' most pressing military equipment needs. Manila particularly seeks airlift capability, possibly through the transfer of excess U.S. C-130 transport aircraft. The peso's decline in value over the past few years has reduced the purchasing power of the Philippine military modernization budget by over 26 percent. This means that the armed forces will be asking for more aid and fewer sales.

Meanwhile, VFA opponents are challenging any new American military presence even for temporary exercises. The early December visit of the USS Santa Fe, a nuclear-powered submarine, to Subic Bay was opposed by Senator Raul Roco as a violation of the country's constitution prohibiting nuclear weapons on Philippine territory. Philippine military spokesmen denied the charge, pointing out the distinction between nuclear armaments and the use of nuclear energy as a power source. The fact that the U.S. Navy neither confirms nor denies the presence of nuclear weapons on its ships, however, lent some force to Senator Roco's objection.

The Philippine government also defended the VFA before the country's Supreme Court in mid-December. Solicitor General Ricardo Galvez argued that joint exercises with the United States were crucial to the Philippines national security. As a weak country, the Philippines benefits from extensive training with the world's only superpower. While Mr. Galvez acknowledged that the VFA is "lopsided," favoring the United States with respect to jurisdiction over its forces on Philippine soil, nevertheless, the benefits to the country's military preparedness outweighed the disadvantages.

The State of Indonesian-U.S. Ties

Indonesian-U.S. relations remained fraught with ambivalence in this quarter. On the positive side, Washington has warmly endorsed the democratic proclamations of President Abdurrahman Wahid's new government. At the same time, however, the United States is concerned about the Indonesian military's (TNI) refusal to accept responsibility for the depredations that occurred prior to and after the elections in East Timor as well as its procrastination in facilitating the return of the tens of thousands of refugees remaining in West Timor.

The roster of urgent problems facing Indonesia seems overwhelming: the reform of a politicized and often brutal military, a better balance between the central government and restive provinces to forestall the prospect of secession in several provinces, a more suitable equilibrium between the executive and legislature, freeing the economy from corruption and monopolies, effective political parties, a fair and professional judiciary, and an efficient and honest bureaucracy.

The Timor situation embodies the new government's difficulties in dealing with the TNI. In October, U.S. State Department representatives interviewed East Timorese in West Timor refugee camps. The refugees condemned conditions in the camps and declared their desire to return to East Timor. The State Department officials indicated that the United States was prepared to help in their repatriation. However, TNI officials in Jakarta denied that the refugees were being intimidated.

The Indonesian government insisted that orders had been issued to the TNI in early October to disarm their militia allies and send them to camps further inside West Timor. Despite these claims, however, U.S. skepticism persists; and Washington continues to withhold military aid, including spare parts for Indonesia's C-130 transport aircraft--necessary for moving troops and equipment to trouble spots in the country's far flung islands. On November 22, America's UN ambassador, Richard Holbrooke, confirmed after visiting the refugee camps that TNI-backed militia remained in the area and continued to intimidate the refugees. Holbrooke compared the militias to the Khmer Rouge guerrillas who terrorized Cambodian refugees in Thailand during the late 1970s and 1980s. With somewhere between 100,000 and 150,000 still in the West Timor camps, Ambassador Holbrooke expressed concern that the longer their return was delayed, the less likely refugees would go back home.

In mid-November, Vermont Senator Patrick Leahy used a budget amendment to tie all future military sales and cooperation with the Indonesian armed forces to a list of demands that include the return of the refugees and the prosecution of those armed forces members involved

in the attacks on East Timorese after the August referendum. A sign of the TNI's continued political strength and intransigence was a statement by Ambassador Holbrooke that the Indonesian president, attorney general, and defense minister all wanted the United States to put pressure on the military to solve this problem. Indonesia's civilian leadership realized that until the refugees returned to East Timor, the international community would not give Indonesia the support it needed for economic reconstruction. Moreover, according to Assistant Secretary of State Stanley Roth, resumption of normal military relations also depends on the TNI's support of the principle of civilian supremacy in the new democracy.

Policy Implications

With respect to the WTO, U.S. representatives at the Winter Geneva talks would do well to demonstrate greater sensitivity to third world labor and environmental concerns, stressing that U.S. interests in these standards are long term and de-emphasizing coercive measures. Philippine-U.S. military relations are improving. To enhance these developments and gradually increase Manila's national defense capability, Washington should respond sympathetically to the Philippine armed forces equipment needs, particularly for coastal patrol and regional air surveillance. The United States walks a difficult diplomatic tightrope in Indonesia. It should continue to press Jakarta to protect and return the East Timor refugees to their homeland, while emphasizing American support for the country's fledgling democracy and its efforts to contain ethnic and religious violence.

Chronology of U.S.-ASEAN Relations October - December 1999

Oct 4: U.S. Air Force transport planes fly the first contingent of 300 Thai peacekeeping troops for the INTERFET force in East Timor.

Oct 5: The United States and the Philippines agree to resume large-scale joint military exercises in the year 2000. Some 2000 U.S. troops will be involved in maneuvers scheduled for February and March in the Philippines.

Oct 5: Because of Philippine budget deficiencies, the United States has agreed to transport all Philippine forces designated to be part of INTERFET in East Timor.

Oct 6: U.S. Assistant Secretary of State for Human Rights Harold Hongju Koh visits refugee camps in Indonesian West Timor and states that the United States is willing to help repatriate refugees to East Timor while guaranteeing their safety in transit through the UN High Commissioner for Refugees.

Oct 10: U.S. military officials confirm that their mission in East Timor is confined to logistics and intelligence support for the Australian leadership of INTERFET.

Oct 18: Philippine Foreign Affairs Secretary Domingo Siazon expresses "regrets" that the U.S. Senate rejected the Comprehensive Nuclear Test Ban Treaty and characterizes the action as "an enormous blow" to those who wish to create a safer world.

Oct 19: The United States proposes a compromise to the Cambodian government over a special tribunal for the trial of Khmer Rouge leaders. Under the American plan, a five judge tribunal would be composed of three Cambodians and two foreigners.

Oct 27: The U.S. embassy in Thailand insists that joint exercises with the Thai army near the Burma border have nothing to do with recent tensions between Thailand and Burma, stating the exercises had been planned for several months.

Nov 2: U.S. ambassador to Vietnam Pete Peterson presents a 25,000-ton wheat donation and proclaims that bilateral relations have "reached a new height."

Nov 12: President Clinton meets with new Indonesian President Abdurrahman Wahid at the White House. Clinton speaks of restoring military ties and supporting the Indonesian leader's commitment to democracy.

Nov 17: The U.S. Defense Department approves the sale of 18 used F-16 A/B fighters to Thailand as an alternative to the canceled 1996 order for eight new F-18 C/D aircraft. The actual sale will depend on Thailand's military budget.

Nov 21: U.S. ambassador to the United Nations Richard Holbrooke accuses militias in West Timor backed by elements of the Indonesian military of preventing tens of thousands of East Timorese refugees from returning home. While some 90,000 refugees have returned from West Timor, up to 150,000 remain in the camps in that territory.

Dec 1: The U.S. nuclear-powered submarine USS Santa Fe docked at Subic Bay elicits protests from some Philippine legislators as a possible violation of the Philippine constitution prohibiting nuclear weapons. The Philippine government insists that no such violation has occurred.

Dec 5-9: Thai and Philippine media blame U.S. mismanagement and arrogance for the failure of the Seattle World Trade Organization (WTO) summit. Bangkok and Manila papers insist that third world interests must be honored if the WTO is to progress. They focus particularly on U.S. efforts to link trade to labor practices.

Dec 15: Philippine Solicitor General Ricardo Galvez defends the Philippine-U.S. Visiting Forces Agreement by insisting that it helps to compensate for the weakness of the Philippine military.

Dec 20: U.S. government and industry representatives are trying to convince Malaysia to choose additional F/A 18 C/D fighters to supplement the eight it purchased under a 1996 contract. However, Malaysia is reluctant to proceed while restrictions exist on the transfer of U.S. technology for the aircraft.