THE GEOPOLITICS OF THE MEKONG AND A RADICAL PROPOSAL FOR ASEAN TO NAVIGATE IT

Policy Report
November 2020

Frederick Kliem

RSiS S. RAJARATNAM SCHOOL OF INTERNATIONAL STUDIES
Nanyang Technological University, Singapore

NANYANG TECHNOLOGICAL UNIVERSITY SINGAPORE

Policy Report

THE GEOPOLITICS OF THE MEKONG AND A RADICAL PROPOSAL FOR ASEAN TO NAVIGATE IT

Frederick Kliem
November 2020

TABLE OF CONTENTS

Executive Summary

The Mekong sub-region threatens to become yet another space for great power competition. The Association of Southeast Asian Nations (ASEAN) must work together to overcome the exclusive institutional plurality characterising the Mekong's multilateral landscape today. In order to do so, it is necessary to connect the Mekong with the South China Sea (SCS) and treat Southeast Asia as one strategic space. ASEAN should ratify a new **ASEAN Agreement on South China Sea-Mekong** Reciprocity to establish itself at the centre of Mekong management. This way, ASEAN can regain indigenous agency to get a hold on externally imposed geopolitics.

I. Introduction

Originating in the Tibetan Highlands of China, Southeast Asia's longest river, the Mekong, comprises an upper and a lower basin and crosses six countries (China, Myanmar, Laos, Thailand, Cambodia, and Vietnam) before flowing into the SCS. The Mekong supports a unique ecosystem and sustains the livelihood of an estimated 70 million people, including those dwelling along the tributaries and lakes, such as the Cambodian Tonle Sap. The Mekong is a fundamental lifeline for regional wetlands and wildlife as well as for millions of river dwellers, and all riparian countries have a significant stake in the river's functionality. Increasingly, issues such as upstream dam construction, riverbed manipulation, and development of the wider Mekong sub-region, partly within the framework of China's Belt and Road Initiative (BRI), have complicated river management and brought about new challenges for riparian countries. Such challenges put the river itself at risks, threaten human security of millions, and increase China's power-differential. Yet, it is surprising how little attention the Mekong region received until recently, especially compared to the SCS.

Before diving into this paper's proposal, an *ASEAN Agreement on South China Sea-Mekong Reciprocity*, it is worth revisiting two thoughts on geopolitics and regionalism briefly. Geopolitics is probably one of the world's most misused terms. First, it is worth reminding of the preoccupation of early geopolitical thinkers, such as Mackinder, Haushofer, or Spykman, who were intrigued by the impact and relevance of geography for foreign policymaking. Re-discovering the relevance of the Earth's geographic constants for international relations is helpful in the current strategic environment in the Indo-Pacific region. Second, regionalism is sometimes misunderstood as forfeiting national sovereignty, a curtailment of the national prerogative. However, in Southeast Asia, regionalism has never meant sacrificing sovereignty. In ASEAN, regional resilience was always supposed to enhance national resilience, not to erode it. This is the single greatest difference between ASEAN and the European Union, too often missed by European observers. Southeast Asian regionalism could only gain traction because its great founding fathers realised that in one of the world's most vulnerable strategic hotspots there is no such thing as absolute sovereignty. They knew that small state agency depended on the resilience, well-being, and trust of their regional community.[1] In a strategically important region comprising small states, the regional good is almost as relevant as the domestic good.

[1] For a great overview of how great power competition and astute leadership made ASEAN possible, see Natalegawa, Marty. *Does ASEAN Matter? A View From Within*. Singapore: ISEAS Publishing, 2018, Chapter 2; And on how this impacted ASEAN norm evolution, see Acharya, Amitav. *Constructing a Security Community in Southeast Asia: ASEAN and the problem of regional order*. London: Routledge, 2014, Chapter 2; See also Mahbubani, Kishore, and Jeffrey Sng. *The ASEAN Miracle. A Catalyst for Peace*. Singapore: Ridge Books, 2017, Chapter 2.

II. The Right Strategic Priorities?

With all the above in mind we can appreciate that the Mekong basin is a superb example of geopolitics, and, as a result, the management of great power interests and their impingement upon local priorities requires astute multilateral diplomacy. For centuries, the Mekong river was of great geopolitical significance, allowing European colonisers to access Indochina and the Chinese mainland from the Western Pacific. In recent decades, however, Mekong management was primarily seen as an environmental concern, and while its environmental degradation is worrying, the environmental factor matters less than the geopolitical factor in terms of political priorities. Currently, for the US and its partners the primary security concern is China and the critical strategic space are the oceans; the Western Pacific and the Indian Ocean. China, for its part, has focussed on fortifying islands in the SCS for geostrategic reasons. The Mekong's strategic significance had been neglected. This was a fallacy.

Most would agree that oceanic Southeast Asia is Asia's main strategic theatre. As a result, both Track-1 and Track-2 spend much of their time discussing ocean security. While undoubtedly crucial, at least the SCS is at a strategic impasse. Everything that can be said, written, and deliberated about the SCS has been done many times over. China continues to make its claims, their military and para-military vessels still behave aggressively, and China still militarises the sea until such time when they presumably will regard their objectives as achieved. At the same time, China has not managed to gain unilateral control of the SCS and has hardly deterred anyone from operating in it. ASEAN's SCS claimants are supported by international law and regional militaries because it has for long gained sufficient international attention. While important, the SCS is a strategic stalemate which is going to persist for a long time.

In contrast, the especially vulnerable lower Mekong Basin is rarely discussed outside of a small expert circle, and neither ASEAN nor the relevant external players are giving the Mekong sufficient strategic attention. However, the geopolitical risks in the Mekong region are substantial. Geography and strategic investments coupled with political intent translate into substantial unilateral Chinese influence over the lower Mekong basin, especially Vietnam. There is an unquestionable development potential in hydro-energy and the related necessecary dam construction, especially for landlocked developing countries. But it is well-documented that the completed upstream dams have already caused changes in downstream water levels, including reduced flows of sediment and salination of the Mekong Delta.[2] This has substantial ecological

[2] Chantha, Oeurng, and Sok Ty. "Assessing changes in flow and water quality emerging from

consequences that are yet to be fully understood. Likewise, a number of studies claim that over the course of several years Chinese dams held back water upstream, thereby exacerbating droughts in downstream countries dependent on the Mekong's freshwater supply.[3] China disputes this, but whether the accusation is accurate or not is secondary to the realisation that this may indeed become a possibility. It leaves the lower Mekong countries exposed to unilateral water control and the potentially humongous political leverage that comes with it.

In sum, in contrast to the relative strategic equilibrium at sea, the geopolitics of the Mekong Basin are unquestionably and asymmetrically stacked in China's favour, and Beijing's control of the upper Mekong Basin provides it with substantial leverage and asymmetrical power over mainland ASEAN.

III. Institutional Competition

The Mekong has not been neglected entirely. In recent years, many great and regional powers, including the US, China, South Korea, Japan and others, have extended development aid, investments, and multilateral support towards Mekong management.[4] The most important river multilateral mechanisms include the Lancang-Mekong Cooperation (LMC), dominated by China and closely tied to the BRI, the Mekong River Commission (MRC), a Southeast Asian initiative in which neither China nor the US are members, and the US-Mekong Partnership (USMP) by the US — a 2020 expansion of the previous Lower Mekong Initiative (LMI) with the Southeast Asian riparian countries. The plethora of autonomous and virtually unconnected Mekong management mechanisms of various capacity that have emerged in recent years create an almost unparalleled density of multilateral plurality.

In particular, the recent LMI upgrade suggests there is a realisation in Washington that the Mekong is of relevance to the broader Free and Open Indo-Pacific (FOIP) vision — by and large a reaction to increasing Chinese

hydropower development and operation in the Sesan River Basin of the Lower Mekong Region." *Sustainable Water Resource Management* 6:27 (2020). https://doi.org/10.1007/s40899-020-00386-8

[3] Eyler, Brian. "Science Shows Chinese Dams Are Devastating the Mekong: New data demonstrates a devastating effect on downstream water supplies that feed millions of people." *Foreign Policy,* April 22, 2020. https://foreignpolicy.com/2020/04/22/science-shows-chinese-dams-devastating-mekong-river/

[4] Chheang, Vannarith. "Water Resource Security in Mainland Southeast Asia: Challenges and Solutions." In *ASEAN Security Connectivity,* edited by Frederick Kliem, 63-83. Singapore: Konrad-Adenauer-Stiftung Ltd, 2019.

assertiveness in the Indo-Pacific region. The US FOIP aims to, among other things, "compete vigorously against attempts to limit the autonomy and freedom of choice of Indo-Pacific nations" including smaller Mekong countries.[5] The USMP is another, albeit belated, FOIP instrument to compete with China specifically in the Mekong region, slowly turning the Mekong into yet another space for US-China competition.

The first observation to this effect includes the notably different priorities of the great power led mechanisms. China's LMC and BRI focus on efficient and fast infrastructure development and support for the local economy. The USMP's objectives are investments in transparency and good governance, sustainable development, and enhanced connectivity among the Mekong countries and with the US. In essence, LMC and BRI focus on infrastructure development, thereby making Mekong and Southeast Asia more *dependent on and connected with* China. The American focus is on sustainable development as well as strengthening the autonomy and economic independence of its Mekong partners, thereby making them more independent from China.

At first sight and in line with conventional wisdom, greater institutional plurality in the Mekong region gives riparian countries the convenient ability to benefit from competing investment and aid schemes. This diversifies investment and aid sources, thereby increasing flexibility, bargaining potential, and the absolute sum of money available to the Mekong region. However, such institutional plurality is not sustainable and is short-sighted. Not only will increasing institutional competition grow the potential for conflict in the Mekong sub-region, but will also decrease regional interdependence and joint ownership by creating competing self-sustained spaces. This erodes the main constituents of Southeast Asian regionalism and regional stability. In particular, US diplomats in the region continue to reassure their ASEAN counterparts that the US does not intend to force smaller regional countries to pick a side — and they may well be genuine.

However, the problem is inherent in the structure and disregards individual agency. The traditional Asia-Pacific multilateral architecture consists of ASEAN-led mechanisms; this is the essence of ASEAN's centrality that keeps the region engaged despite occasional conflict and stress. Existing Mekong multilateralism is very different because it is great power-, not ASEAN-led. Existing Mekong management mechanisms are not omni-directional multipolar multilateralism, but exclusive institutional arrangements that already are, or will, inevitably become an extension of US-China competition by other means.

[5] US Department of State. *A Free and Open Indo-Pacific. Advancing a Shared Vision*. 2019. www.state.gov/wp-content/uploads/2019/11/Free-and-Open-Indo-Pacific-4Nov2019.pdf.

Institutional competition between exclusive great power mechanisms moves the region closer to bloc-formation and, in consequence, does not manage the Mekong but is, in fact, a symptom of an already existing conflict.

IV. Why ASEAN?

It behoves the smaller resident countries to think about the politics that emerge from the geographical facts of the Mekong region, the geopolitical relevance of the Mekong; and, in consequence, about sustainable multilateral river management. A strategy for Mekong management should mirror a great power conflict management strategy for the Indo-Pacific in general. Establishing inclusive dialogue and increasing interdependence and cooperation instead of bloc formation is the key to a successful Indo-Pacific equilibrium just as it is to successful Mekong management. What is necessary is an inclusive space for neutral diplomatic, economic, and information instruments that can keep the region engaged and interdependent. Such channels allow states to communicate and negotiate mutual red lines, as well as identify areas of cooperation where interests align; such as devising plans for an ecologically sustainable river management system. Such multilateralism should be facilitated by ASEAN, which has the necessary mechanisms and preconditions in place.

There simply is no other actor capable of hosting multilateralism in the region, or with the capacity for necessary neutrality. Fortunately, great power competition not only creates space for riparian countries, but also creates room for collective ASEAN agency, room to manoeuvre, and regain ownership of regional multilateralism. Regrettably, none of the existing Mekong mechanisms have meaningful relevance to ASEAN, and genuine ASEAN buy-in is lacking too. Unfortunately, the Mekong is not a strategic priority, not even of direct interest to maritime Southeast Asia; just the same way the SCS is not of sufficient interest to some of the mainland states. As a result, national leaders are hesitant to make the necessary compromises for regionalism to function effectively. Moreover, the question beckons why external actors would be enticed to forfeit their respective efforts at exclusive multilateralism and instead pay attention to inclusive ASEAN-led multilateralism if even half of ASEAN does not?

It is, thus, of utmost necessity to first establish ASEAN consensus. ASEAN leaders and elites would be well advised to appreciate the founding principle of ASEAN: in order to safeguard national agency, national elites must maintain regional agency, for without regional agency, small countries located in such a strategic hotspot will succumb to great power unilateralism. In other words,

in Southeast Asia, the regional good is almost as relevant as the domestic and it is a sine qua non to invest political and diplomatic capital, internally or with third parties, even if the issue is only of indirect national relevance.

V. The ASEAN Agreement on South China Sea-Mekong Reciprocity

Beyond this general appreciation of regionalism's value and cost, systemic adjustment is needed. The separation of mainland and maritime Southeast Asia is artificial and unsustainable. The main reason that conflicting FOIP visions could take off as they did is the simple fact that it makes imminent sense to think, view, and treat the Indian Ocean region and the Western Pacific as equally relevant and one strategic space. ASEAN consists almost equally of both mainland and maritime states and it makes imminent sense to treat all of Southeast Asia, maritime and mainland, just the same way, as one strategic space. ASEAN should reflect this equality in its strategic priorities and convince all its stakeholders to consider the Mekong just as relevant for Indo-Pacific geopolitics as the SCS, and treat it accordingly.

Internally, this realisation ought to translate into a new ASEAN agreement by the ASEAN Summit: *the ASEAN Agreement on South China Sea-Mekong Reciprocity* should be a *quid pro quo* among maritime and mainland states agreeing to reciprocally support each member in the SCS and in the Mekong, based on a set of unambiguous principles. Such an agreement needs to be similar to the *Treaty of Amity and Cooperation in Southeast Asia* (TAC), in that it is ambitious in its objective and clear in its principles. The TAC principles apply in their entirety, but must be extended by specific guidelines and reassurance, including the respect for United Nations Convention on the Law of the Sea (UNCLOS) and a set of river management standards to protect environmental and economic well-being and human security at large. Most importantly, all ASEAN members should commit to treat a violation of these principles in either space, the oceans or the Mekong, as a violation of this whole-of-ASEAN agreement and refute perpetrators accordingly within ASEAN's means.

This agreement should also include a pledge to set-up an all of ASEAN instead of a minilateral river management mechanism. This ASEAN-10 river management mechanism can be opened up to all interested ASEAN Dialogue partners, most importantly China and the US. Further, the agreement should also lead to the inclusion of Mekong sub-regional matters, including all geopolitical and human security implications, into all relevant ASEAN

mechanisms, including the East Asia Summit (EAS) and ASEAN Defence Ministers' Meeting (ADMM) and its plus extension (ADMM-Plus), just like the SCS regularly makes it into these forums. This combination allows ASEAN to establish an internal Mekong management platform. But it also signals ASEAN's resolve and encourages its Dialogue Partners to equally view and treat the Mekong and the SCS as part of one strategic Southeast Asian space. The external donors must be encouraged to share their multilateral efforts and continue to invest in the Mekong region. Indeed, great power support is absolutely necessary, but it should be administered within inclusive indigenously led multilateralism, not external competing multilateralism.

VI. ASEAN Leadership — Vietnam as the Pivot

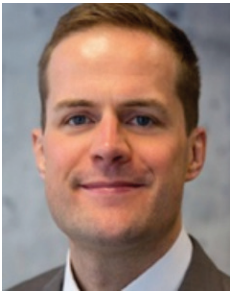
The fundamental problem, of course, is creating this diplomatic trade-off within ASEAN. ASEAN has a history of successful cooperation on "low politics" and issues such as ecological cooperation can have significant spill-over effects and create trust. However, it first requires internal ASEAN leadership to establish consensus on this matter. Although somewhat elusive currently, contrary to eternal ASEAN pessimists' assertions, ASEAN leadership can be obtained. There are numerous examples of successful ASEAN leadership facilitating consensus in the wake of initial obstacles to obtaining it. The ubiquitous 2012 failure to get consensus on the SCS is one such example. Usually cited as a disaster for ASEAN, it is often either forgotten or maliciously ignored that despite initial failure to reach it, consensus could be obtained only a week later through Indonesian leadership.

As far as this paper's proposal is concerned, Vietnam is the pivot country. Hanoi should assume a sectoral leadership role and lobby in favour of the *ASEAN Agreement on South China Sea-Mekong Reciprocity*. Vietnam is the only member that has a vital stake in both hotspots — as SCS claimant and home to the Mekong Delta. Since joining ASEAN, Vietnam has also had the most remarkable development trajectory of all CLMV (Cambodia, Laos, Myanmar, and Vietnam) countries, and functions as the informal mediator between ASEAN's five founding members and the CLMV countries. Hanoi's increasing diplomatic clout and strategic relevance as well as its exemplary handling of the COVID-19 pandemic give its diplomats additional weight and influence.

If ASEAN fails at this and continues to be idle as US-China competition moves beyond a point of no return for Southeast Asia, it will watch over its own demise. This applies to the Mekong just as much as it does to the wider

Indo-Pacific. ASEAN's raison d'être has always been and remains today to maintain autonomy. With unrestrained great power competition in the Mekong, ASEAN will become divided and its centrality extinct. Without the proposed ASEAN agreement — or an agreement of a similar nature — some ASEAN countries may not be willing to risk the necessary political capital to hold the common ASEAN line. It is also self-evident that small countries should hold a common line, devise mechanisms for inclusive multilateralism, and leverage their agency further by involving external powers on a united ticket. To some extent this is already the case in the SCS. Applying the same logic and resolve to the Mekong will once again give ASEAN its historic role of brokering and manoeuvring within regional multipolarity. This has always been the fundamental reason behind and essence of ASEAN centrality.

About the Author



Frederick Kliem is a Visiting Fellow at the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University (NTU) in Singapore. Frederick's research interests include regional integration and multilateralism in Asia and Europe. At the Centre for Multilateralism Studies, he studies ASEAN, Southeast Asia and geopolitics in the Indo-Pacific, as well as the European Union and comparative regionalism. In addition, Frederick is a Freelance Consultant and Key Expert on ASEAN-EU matters to the EU consortia in Brussels. Before joining RSIS, Frederick was Senior Programme Manager at the political foundation, Konrad-Adenauer-Stiftung, in Singapore.

About the Centre for Multilateralism Studies

The **Centre for Multilateralism Studies (CMS)** is a research entity within the S. Rajaratnam School of International Studies (RSIS) at Nanyang Technological University, Singapore. The CMS team conducts cutting-edge research, teaching/training, and networking on cooperative multilateralism in the Asia Pacific region. The Centre aims to contribute to international academic and public discourses on regional architecture and order in Asia Pacific. It aspires to be an international knowledge hub for multilateral and regional cooperation.

The Centre's research agenda includes international and global forms, as well as expressions of cooperative multilateralism:

- **Economic Multilateralism**
  Research areas include trade, monetary, and financial integration in ASEAN, ASEAN+3, South Asia, and Central Asia; evolving linkages between various Asian sub-regions and with countries/sub-regions outside the region; and developments in the global economic architecture to ensure complementarity between global and regional initiatives.

- **Diplomatic and Security Multilateralism**
  Research areas include inter-governmental and non-official arrangements such as the ASEAN Regional Forum, ASEAN+3, East Asia Summit, Shanghai Cooperation Organisation, Six-Party Talks, the Council for Security Cooperation in the Asia Pacific, and the like. Initiatives in defence diplomacy include the ASEAN Defence Ministers' Meeting (ADMM) and ADMM Plus, the Shangri-La Dialogue, and alliances.

- **International Political Economy**
  The programme examines the interactions between politics and economics of particular countries, regions and the world. Drawn from both the fields of economics and politics, an international political economy perspective enhances our understanding of issues in the regional and global economy.

- **Temasek Foundation Series on Trade & Negotiations**
  With a generous donation from Temasek Foundation, CMS organises two capacity-building programmes a year; an annual three-day training course for regional members of parliament and In-Country training courses for government officials. These workshops are carefully designed to help develop the human capital necessary to take full advantage of the opportunities unleashed by globalisation and international trade.

For more information about CMS, please visit www.rsis.edu.sg/research/cms.

About the S. Rajaratnam School of International Studies

The **S. Rajaratnam School of International Studies (RSIS)** is a think tank and professional graduate school of international affairs at the Nanyang Technological University, Singapore. An autonomous school, RSIS' mission is to be a leading research and graduate teaching institution in strategic and international affairs in the Asia Pacific. With the core functions of research, graduate education and networking, it produces research on Asia Pacific Security, Multilateralism and Regionalism, Conflict Studies, Non-traditional Security, Cybersecurity, Maritime Security and Terrorism Studies.

For more details, please visit www.rsis.edu.sg. Join us at our social media channels at www.rsis.edu.sg/rsis-social-media-channels or scan the QR code.

RSiS | S. RAJARATNAM SCHOOL OF INTERNATIONAL STUDIES
Nanyang Technological University, Singapore

Nanyang Technological University, Singapore
Block S4, Level B3, 50 Nanyang Avenue, Singapore 639798
Tel: +65 6790 6982 | Fax: +65 6794 0617 | www.rsis.edu.sg