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TESTY TIES, TESTING TIMES

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Editorial Letter

Like it or leave it, the "Indo-Pacific" and its derivatives – Indo-Pacific Strategy, Indo-Pacific Vision, Free and Open Indo-Pacific – are still in vogue. Will this help or hinder a crowded region in these turbulent times? ASEAN's doubts are evident in its "Outlook" on the Indo-Pacific, a classic statement of fudgy indifference in ASEAN diplomatese, not least because the whole concept may well compromise ASEAN Centrality.

Notwithstanding attempts to dilute or blunt China's rise, such schemes as "Indo-Pacific" are unlikely to work. Regardless of any justification, such efforts are too little too late in trying to roll back China's ascendancy. They may cause some deleterious economic impact such as that from the US-China trade dispute, but because the contagion is inevitably globalised it will find no appreciable favour abroad.

The mix of painful new costs and limited gains for third countries from the US-China trade battle varies, but any dividends from trade and investment diversion hardly make up for losses through barriers to trade and other complications. To a small and vulnerable economy like Malaysia's, the risks of damage from conflict between economic superpowers are always hazardous and never manageable.

Meanwhile Southeast Asia has become a magnet for just about any party with extra-territorial interests or designs. Besides the United States and China, Japan, Russia, South Korea, Taiwan, India and Europe have a new or renewed interest in this region. It is clearly time for more distinct ASEAN leadership to seize the moment, if not for more prominent ASEAN leaders to emerge but who remain elusive.

Indeed the larger East Asia deserves more enlightened policies that are pro-active and pre-emptive. China's ban on importing waste for example has dislocated waste shipments and caused localised environmental crises in several countries. As leading waste producers themselves, developed Western nations stand exposed as being underdeveloped in waste management, which should count towards their liabilities in contributing to environmental degradation.

On the "harder" regional front, arms procurements are competitive enough to resemble an arms race whether or not an actual race is on. Between the pair of giants, US weapons-grade technology is still streets ahead of China's despite the latter's impressive gains in recent years. Cost remains a factor, both in US arms sales pitches abroad and in US defence budgets that determine research and development (R&D) and acquisitions.

It does not help when the nuclear arms control environment is in a parlous state. Limits and reductions are politically correct but seldom sought or respected. The world needs sane and sincere commitments to genuine cutbacks, not more pious statements or empty rhetoric. What international development can precipitate the necessary measures, short of a miracle or a nuclear apocalypse?

Armed conflict may not yet be displaced by "keyboard wars", but cybertroopers have long been deployed in skirmishes. There will be more digital conflicts and they will involve greater sophistication and cost, prompting questions about regulatory frameworks and legal limits in the public interest. However this impinges on such values as free speech, so even the grey areas have still greyer edges.

These themes are explored in our current issue of *ISIS Focus*. For better or worse, they are themes likely to be with us for some time yet.

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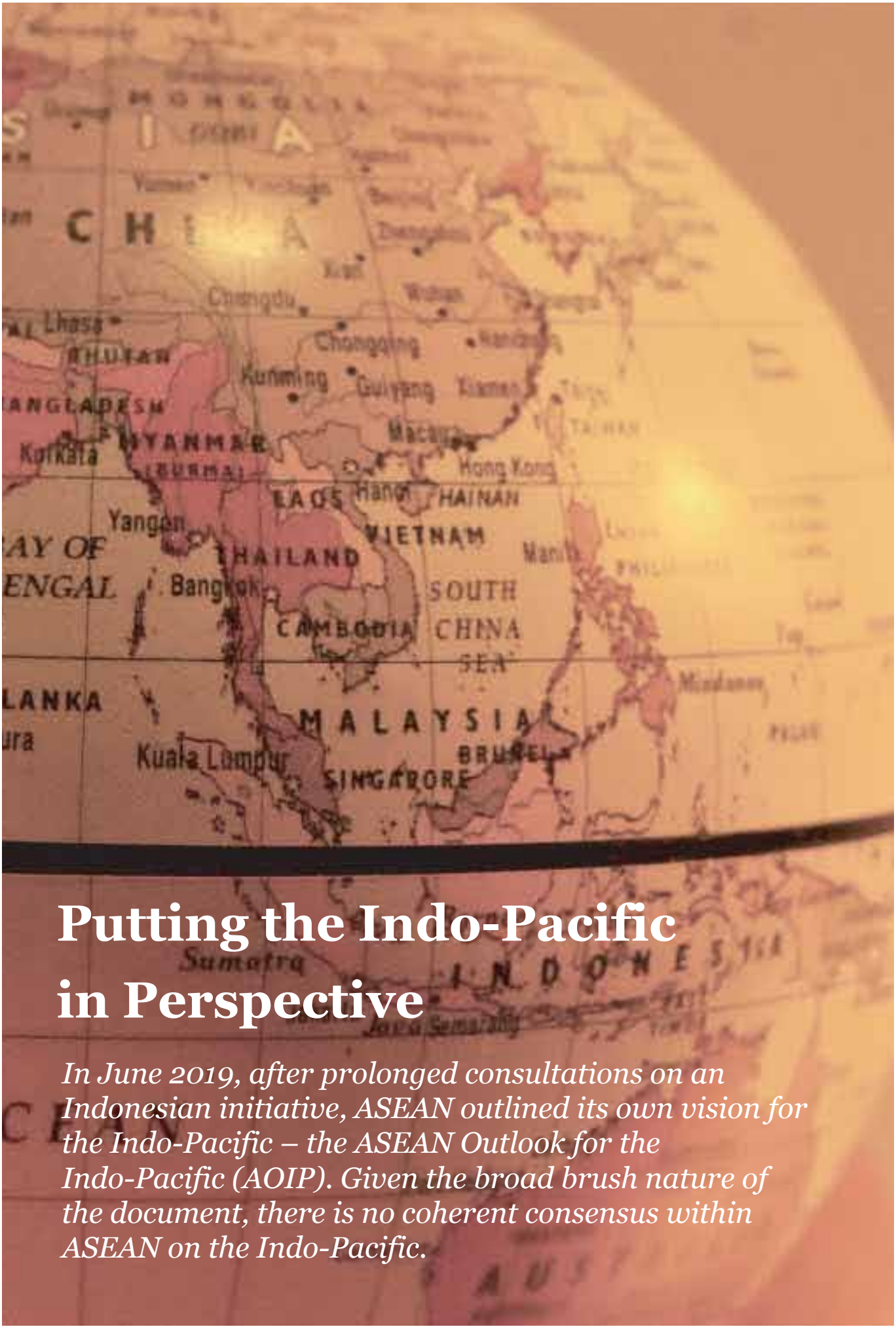


Putting the Indo-Pacific in Perspective

In June 2019, after prolonged consultations on an Indonesian initiative, ASEAN outlined its own vision for the Indo-Pacific – the ASEAN Outlook for the Indo-Pacific (AOIP). Given the broad brush nature of the document, there is no coherent consensus within ASEAN on the Indo-Pacific.

By C Raja Mohan

The idea of the Indo-Pacific may have gained some ground, but there is considerable anxiety about the motivations and interests that are driving it as well as its strategic consequences, both short- and long-term. Hence it is unmistakable that most countries within ASEAN and its neighbourhood are more comfortable politically with the notion of the Asia Pacific rather than Indo-Pacific. The importance of the AOIP, however, lies in the shared recognition within ASEAN on the urgent imperative to engage with the Indo-Pacific.

A quick look at history reveals that many of the regions, which we tend to believe as self-evident, are relatively recent and constructed under specific circumstances. The term "Southeast Asia", for example, had some provenance in the Japanese discourse in the early 19th century. But it gained prominence only with Great Britain's establishment of South East Asia Command under Lord Mountbatten's leadership in 1943 as part of the effort to roll back the imperial Japanese expansion. Before terms like South Asia, Southeast Asia and East Asia came into vogue, the dominant forms of framing the regions were Near East, Middle East and Far East (obviously from a British and Euro-centric perspective). Other terms, such as the Indian Subcontinent, Insulindia and Indo-China were popular monikers. The "Asia Pacific" itself was about the integration of emerging Asian economies with the Americas in the age of economic globalisation. Those who are reluctant to place India in the Pacific orbit have been, nonetheless, quite comfortable with having Peru and Mexico as members of the Asia-Pacific Economic Cooperation (APEC) forum. The question then is not about geographic accuracy or proximity, but the alignment of interests.

"From a long-term perspective of geography, regions are transient; they come and go."

They are constructed and deconstructed. This in turn has a lot to do with the nature of the shifting orientation of the major entities in a particular region. Although India and China have always been central to the economic and political evolution of Asia, their inward economic orientation after World War II shrunk the conceptions of Asia and also fragmented it into different sub-regions. China's globalisation, since the early 1980s, and India's, from the turn of the 1980s, have resulted in a dramatic expansion of their relative weights in the region and a dissolution of the mental maps that presented South and East Asia as different realms and the Indian and Pacific Oceans as separate seas.

China's Belt and Road Initiative (BRI) actively seeks to connect Western China to South Asian ports through land corridors and link its eastern seaboard with the Indian Ocean through the waterways of Southeast Asia. India's "Act East Policy", on a much smaller scale, has a similar objective – connecting its economy with that of East Asia and restoring the historic links that flourished in the modern age until World War II.

The transformation of China into the world's second largest economic and military power was bound to alter the post-war strategic framework in Asia and the world. It was also inevitable that India, which is emerging slowly, would be very much part of any calculus to bring stability and security in the eastern hemisphere. Just as the Indian resources were critical in shaping the outcome of World War II in Asia, they will also be central to any new balance of power system in the Indo-Pacific. Power shifts compel political and strategic realignments. The rise of imperial Japan, for example, saw British India, nationalist China and America join forces in the so-called Burma-China-India theatre. Today, that land theatre and the waters on either side of the Malay Peninsula constitute the heart of the Indo-Pacific.

The challenge for Southeast Asia in decades ahead is to cope with the breakdown of the post-war political order and the widening cracks in the regional economic structure, which emerged after the Cold War era of globalisation. If China's rise has been an important driver for the current strategic turbulence, it has been reinforced by the wild oscillations in the American response. To make matters worse, the domestic politics of both China and America have defied conventional wisdom and are likely to remain unpredictable in the coming years.

The technical debate then about the nomenclature – Asia Pacific or Indo-Pacific – is a lot less important than the task of devising national and regional policies that will allow Southeast Asia to withstand the tectonic changes unfolding around it. The AOIP may just be the first step in a long and uncharted path.

C Raja Mohan is Director of the Institute of South Asian Studies, National University of Singapore. The essay is based on a presentation at the 33rd Asia-Pacific Roundtable, Kuala Lumpur, June 2019

WHY THE TRADE WAR IS TOO LATE TO DERAIL CHINA

By Michael Tai

If the current trade war aims to hold back China's development, it may perhaps already be too late. Regardless of the outcome of the ongoing trade tensions, China will almost certainly continue its present trajectory. Here's why.

Firstly, China has already reached the critical mass of technological capacity. It has moved from imitator to innovator, and become world leader in areas such as solar energy, mobile payments and high speed rail. In 2011, the Royal Society saw the landscape changing "dramatically" when China overtook the United Kingdom to become the second leading producer of research publications.

Kai-Fu Lee, former president of Google China and an expert on artificial intelligence (AI), believes China is rapidly becoming a global leader in AI and may surpass the United States. 5G is only one of several crucial technologies where the United States has fallen behind due to policy missteps. By deciding against a single telecommunications standard, the United States fragmented its telecoms industry and has no 5G contender today. The fastest supercomputer, the largest radio telescope and the first landing on the dark side of the moon are more feathers in the Chinese cap.

Secondly, the size of the Chinese domestic market provides important advantages when it comes to innovation. China has the world's largest fintech market where digital payments are 50 times larger than the United States while Baidu, Alibaba and Tencent – its three biggest Internet companies – are investing in machine learning and AI. AI is built on big data and, due of its vast number of Internet users, China has caught up to the United States at an unexpected pace.

Economies of scale also allow quicker recovery of research and development and tooling expenditure, which translates into cost advantages over rivals especially in sectors requiring heavy front-end investments, such as hi-speed rail, nuclear power plants, solar panels, power turbines, electric vehicles and drones. Contrary to popular belief, China's advantage is no longer low-cost labour, but its efficient logistics and enormous pool of tooling engineers who are able to turn blueprints into prototypes, sometimes in a matter of days.

Nevertheless, there is nothing original or unique about the Chinese development model. China is essentially replicating many of the policy features of Japan, South Korea, Taiwan and Singapore at an earlier developmental stage when the state steered the economy and controlled key sectors, such as

banking, telecommunications, steel and energy. Indeed, the state-led model was practised by the United States, Britain, France and Germany too during the nineteenth and the first half of the twentieth century, as Cambridge economist Ha-Joon Chang cogently points out. Consider President Franklin D Roosevelt's New Deal programmes to spur the US economy in the 1930s or French state ownership of and intervention in key industry sectors up until today.

Even China's authoritarian, one-party rule is nothing extraordinary; Taiwan, South Korea and Singapore were equally authoritarian. South Korea saw rapid economic growth under presidents Park Chung-hee and Chun Doo-hwan, both military men, who restricted civil liberties and controlled the judicial system, while Taiwan's economic miracle happened under a one-party rule and martial law, which was not lifted until 1987. Singapore has effectively been a one-party state since 1965 and the same could be said of Japan under the Liberal Democratic Party since 1955 (except for brief hiatuses in 1993-1994 and 2009-2012).

The one-party rule with a competent bureaucracy can enable stable, long-term policy planning and execution. This advantage is starkly illustrated by Taiwan, whose economy has floundered since the mid-1990s as frequent changes of government and policies deter investors and undermine the morale of civil servants no longer certain if their work will have any lasting effect.

But China's rise in tandem with the Asian Tigers is also powered by cultural character, a factor often overlooked by economists. If England is a nation of shopkeepers, to quote Adam Smith, China is a nation of entrepreneurs. Chinese business sense first caught the attention of Europeans in the colonies of Southeast Asia. British colonial officer Francis Light observed that "they possess the different trades of carpenters, masons, and smiths, are traders, shopkeepers and planters ... [and] are the only people of the East from whom a revenue can be raised without expense and extraordinary efforts of Government ...." American anthropologist and explorer David P Barrows considered the way "their keen sense for trade and their indifference to physical hardship and danger, make the Chinese almost a dominant factor whenever political barriers have not been raised against their entry."

Confucian virtue can be compared to the Weberian Protestant ethic. The Chinese language is full of maxims exhorting learning and hard work, and anyone who has been to China will not fail to notice the way hardship is accepted as a normal part of life. Barbers are on their feet twelve hours a day while the repair of shoes and clothing to mobile phones and computers is easily and affordably available. To stay ahead of the competition, some companies practise a "996" work regime (9am to 9pm, six days a week) – the subject of vigorous debate on Chinese social media recently.

"China has the world's largest fintech market where digital payments are 50 times larger than the United States ...."

Hong Kong tycoon Robert Kuok calls the Chinese the "most amazing economic ants on earth", but their success invites admiration as well as envy and angst, and not unlike the Jews, the Chinese often face discrimination, expulsion and violence. In 19th century America, white Americans saw Chinese immigrants, who first came to work on building the transcontinental railroads, as a serious competitive threat and demanded Congress pass the Chinese Exclusion Act in 1882, which effectively barred the Chinese from the United States for the next several decades while anti-miscegenation laws prohibited Chinese men from marrying white women. The Act was repealed in 1943, but quotas (permitting 105 Chinese persons per year) and a ban against the ownership of property and businesses by ethnic Chinese remained in place until 1965. President Trump's tariffs and entity list represent the latest round of exclusion, which may succeed in delaying, but not derailing China's development.

Michael Tai is Professor of Development Studies at the Beijing Institute of Technology. This is an updated article first published in the *South China Morning Post*

TRADING TROUBLES: THE US-CHINA TRADE TENSIONS AND ITS IMPACTS ON MALAYSIA AND THE REGION

By Calvin Cheng

Trade wars can have widespread negative impacts on the global economy, weighing down on global growth and investment, while increasing uncertainty and market volatility. How will Malaysia and its regional peers fare in the ongoing US-China trade conflict?

Far from being a month of quiet introspection, December 2019 has instead proven to be a maelstrom of activity for trade policy enthusiasts. On December 10, the World Trading Organisation (WTO) dispute settlement mechanism virtually ceased functioning as the United States (US) continued to block the appointment of new judges to its appellate body. On December 12, after months of negotiations, the US and China reached a "Phase One" deal – in which China agreed to certain concessions on agricultural purchases and intellectual property in return for some tariff cuts from the US.

The last two years have been equally as tumultuous. Since the start of 2018, the US has fought a multi-front trade war, imposing Section 301 tariffs on approximately US$370 billion worth of Chinese goods entering the US. Over 10,583 different Chinese products across three separate US tariff lists (List 1, List 2 and List 3) are currently subject to what is essentially an import tax. Even with the tariff reductions from the "Phase One" agreement, average US tariff levels are still more than six times higher than before the trade war began.

Fig. 1: US-China trade conflict: A timeline of major events

2018

Early 2018

Jan: US applies tariffs on **all washing machines and solar panel** imports

March: US applies tariffs on **all steel (25%) & aluminium (10%)** imports

July 2018

US applies **List 1 tariffs** (25%) on $34b Chinese imports

China **applies 25% tariffs** on $34b US imports in retaliation

July 2018

US applies **List 2 tariffs** (25%) on $16b Chinese imports

China **applies 25% tariffs** on $16b US imports in retaliation

Sep 2018

US applies **List 3 tariffs** (10%) on $200b Chinese imports

China **applies 10% tariffs** on $60b US imports in retaliation

Dec 2018

US and China agree to a **temporary trade truce** at sidelines of G20 summit in Buenos Aires

2019

May 2019

Progress on trade talks slow, US breaks truce and **raises the tariff rate on List 3 tariffs** from 10% to 25%

June 2019

US and China agree to a **temporary trade truce** at sidelines of G20 summit in Osaka

Sep 2019

US applies **List 4A tariffs** (15%) on $112b Chinese imports

China **applies 5–10% tariffs** on 1,717 goods from the US

Dec 2019

List 4B tariffs is set to take effect (15%) on $160b Chinese imports

China intends to apply **5–10% tariffs on ALL US imports**

Note: Timeline focuses on Section 301 tariffs, Section 232 tariffs were first imposed in January 2018

Fig. 2: Tariff wars: by the numbers

US List 1 tariffs
Coverage: 1,096 items (US$34 bil worth)

Aircraft parts, machine parts, electrical machinery, electronic parts, motor vehicles, turbines

US List 2 tariffs
Coverage: 279 items (US$16 bil worth)

Oils & chemicals, machine parts, electronic circuits, railway parts, diodes, electronic parts

US List 3 tariffs
Coverage: 5,964 items (US$200 bil worth)

Seafood & agricultural products, minerals & ores, chemicals, wooden furniture, textiles, electronics, motor vehicles & parts

US List 4A
Coverage: 3,244 items (US$112 bil worth)

China tariff 1
Coverage: 545 items (US$34 bil worth)

Soybeans, wheat, electric vehicles, meats, seafood, alcohol & tobacco

China tariff 2
Coverage: 333 items (US$16 bil worth)

Aircraft parts, machine parts, electrical machinery, electronic parts, motor vehicles, turbines

China tariff 3
Coverage: 5,140 items (US$60 bil worth) updated 1 June 2019

Aircraft parts, machine parts, electrical machinery, electronic parts, motor vehicles, turbines

China tariff 4A
Coverage: 1,717 items (US$75 bil worth)

By now, even Mr Trump's most steadfast tariff stalwarts would need to admit that the US-China trade war is having negative impacts on the world economy. As trade uncertainty continues to curtail business investment and dampen world trade, the world economy is chugging along at the slowest pace since the 2008 financial crisis. In the US, recent research suggests that US consumers are paying for the tariffs imposed on Chinese goods in the form of higher prices. Indeed, one estimate of the welfare loss to the US consumer and firms who buy imports is about US$51 billion per year.

Yet for Malaysia and other exporting economies in the region, the impacts of the US-China trade conflict may be slightly more ambiguous. Here, it is important to note that these trade tariffs bring about two competing, opposing effects.

The first is a negative effect from a general reduction in world trade and increased global uncertainty. Many economies in the region, like Malaysia, are small and highly open economies with a relatively high dependence on trade. Many are also deeply integrated with global and regional supply chains. In Malaysia, over 82 percent of large firms in Malaysia and nearly 50 percent of all small-to-medium-sized enterprises participate in global value chains. This means that negative shocks to world trading demand and disruptions to global supply chains can have outsize effects on economic activity. Recent macroeconomic data in Malaysia suggests that global headwinds are increasingly depressing domestic economic activity.

The second effect is the silver lining: the potential for beneficial trade and investment diversions. As the imposition of tariffs cause importers to look elsewhere for

substitutes, exporters in the region stand to benefit. In fact, one estimate of the total value of global trade that will be diverted per year to avoid tariff incidence is about US$165 billion. Additionally, the first two rounds of US tariffs heavily concentrate on electrical and electronic (E&E) components and circuits – products that Malaysia has comparative advantages in exporting.

As such, the net impact of the trade war on the region will depend on which one of these two opposing effects wins out.

Broadly, there are two main channels for trade diversion: shifts in US import demand and shifts in Chinese import demand. To gauge shifts in import demand from the US side, we built on some recent analysis using detailed US Census trade data – matching US imports of goods at the HS 8-digit level to the approximately 7,452 products on the first three tariff lists released by the US Trade Representative's (USTR) office. Comparing post-tariff versus pre-tariff averages of US imports from eight regional economies, we were able to examine the economies and products that have enjoyed trade gains from diversion in US import demand.

Fig. 4: Analysis of the trade data so far: US imports

Which specific product lines have benefited? (HS 8-digit level)

Malaysia's top gainers

- **Photosensitive semiconductor devices**
- **Memory parts (RAM)**
- **Printed circuit assemblies**
- Radio receivers used in motor vehicles
- Medical rubber gloves
- Non-medical rubber gloves
- **Electronic integrated circuits: processors and controllers**
- **Telecoms instruments and apparatus**
- **Instruments for measuring/checking semiconductors**
- **Tantalum fixed electrolytic capacitors**
- Electro-medical instruments and appliances
- Bedroom furniture

Industrialised Asia's top gainers (Japan, Korea...)

- **Motor vehicle-related products and parts, batteries**
- **Circuit assemblies**
- **Aircraft-related products, parts, and fuel**
- Machinery and manufacturing components and parts
- Other E&E parts and components

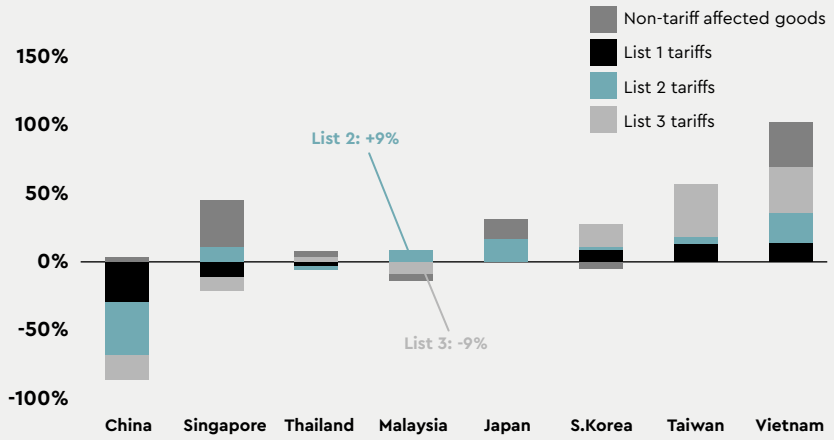
Developing Asia's top gainers (Vietnam, Thailand...)

- **Wooden furniture, bedroom furniture, wood**
- **Various E&E parts and components (circuits, LEDs)**
- **Electric vehicle batteries**
- Food-related products (tuna, rice, frozen catfish)
- Motor vehicles and tires (esp. Thailand)

Source: US Census Bureau, Author's calculations

Fig. 3: Malaysia has not gained as much as some of its peers

Post-tariff – pre-tariff monthly averages (% change in US imports)



Source: US Census Bureu, Author's calculations, ISIS Malaysia Policy Brief #2-19
Note: Data until September 2019, List 4A products are counted as non-tariff affected due to USTR tariff effective dates

Our estimates suggest that Vietnam and Taiwan have been the largest beneficiaries of diversions in US import demand after the imposition of tariffs (Fig. 3). Likewise, Malaysia has indeed seen some gains in US imports of List 2 products – which mainly consist of E&E components. However, these trade gains have not been as large as other economies in the region, with US imports of List 3 products from Malaysia actually declining in the post-tariff period.

Looking deeper into each individual product at the HS 8-digit level, our analysis suggests that Malaysia has mainly gained in US imports of E&E-related products – specifically semiconductor devices, electronic integrated circuits and telecommunications equipment – in addition to other non-E&E products, like rubber-related goods and wooden furniture (Fig. 4). Grouping the rest of the seven regional economies in two groups – industrialised and developing – broad trends emerge: industrialised Asian economies have seen large gains in motor vehicle and aircraft-related exports to the US, in addition to E&E components – while developing Asian economies, like Thailand and Vietnam, have gained in lower-value products, like wood products, some machinery components and foodstuffs (Fig. 4).

Moving to trade diversions arising from shifts in Chinese import demand, a World Bank report released in December 2019 suggests that Chinese imports of certain tariff-affected products from Malaysia have indeed increased. Interestingly, we can see that these products are vastly different from the types of products that have gained in terms of shifts in US imports (Fig. 5), with the report

highlighting that Malaysian products that have gained are mainly concentrated in energy-related commodities, like liquefied natural gas (LNG) and crude oil derivatives, along with other commodities like copper-related products.

Our own estimates support this: using Malaysian export data at the HS 2-digit level and comparing pre-and-post tariff performance, we estimate that top gainers in terms of Chinese import demand shifts are wood pulp and paper scraps (used to make recycled paper), metal-related products (iron, steel and lead) and other miscellaneous products from medical bandages to seafood to furskins (Fig. 6).

Fig. 5: Chinese imports of certain tariff-affected products from Malaysia have increased...

% change in Chinese imports from Malaysia (y/y% chg post-tariff vs pre-tariff, by tariff group)

Source: Adapted in full from World Bank Malaysia Economic Monitor, December 2019 "Making Ends Meet" Box 2: The impact of US-China trade tensions on Malaysi's exports, Figure 11; DOSM, China Customs Statistics

Fig. 6: ...and these products are vastly different from the types of products that the US imports

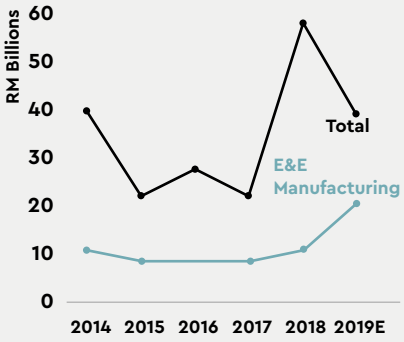
Top gainers in M'sia exports to China (HS 2-digit level)

- Wood pulp; recovered paper scraps
- Iron and steel
- Lead and lead-related articles
- Pharmaceutical products; bandages
- Seafood
- Furskins and artificial fur-related products
- Tobacco and tobacco substitutes
- Explosives and pyrotechnic products
- Photographic or cinematographic goods
- Aluminium and articles thereof

Finally, we reviewed Malaysia's foreign investment data to look for signs of investment diversion in the period after the tariffs were imposed. Here, we used both administrative data on approved foreign investment and actual net FDI flows. Our analysis showed that approved foreign investments, especially in the E&E manufacturing sector, had risen significantly in 2018 and 2019 – suggesting strong signs of investment diversion into these specific sectors (Fig. 7). Yet this has only modestly translated into higher realised FDI flows so far (Fig. 8). Nonetheless, we anticipate these higher approved investments to eventually filter through into actual FDI flows this year, as the approved projects get implemented and as these funds actually begin to flow into the country.

Fig. 7: Approved investment in E&E manufacturing sectors has risen significantly in 2019...

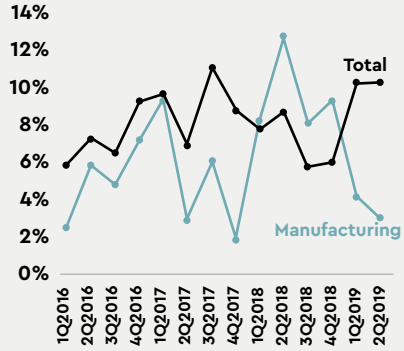
Approved investment (RM billions)



Source: Author's calculations, MIDA, DOSM

Fig. 8: ...but this has only modestly translated into actual manufacturing FDI flows so far

FDI by sector (y/y% chg)



Source: Author's calculations, MIDA, DOSM

Overall, for Malaysia, the available data shows that the country has indeed benefited from trade gains for specific products from diversions in both US and Chinese import demand. However, it is important to remember that these gains have not been as large as some of our regional peers, and that these gains have been relatively concentrated in a few specific product lines. Broadly, these findings suggest that so far, the positive diversion effects appear to be outweighed by the negative effects from weaker global demand and an increasingly contentious and uncertain global environment.

As such, policymakers in Malaysia and beyond need to play a much more proactive role in negating the risks of rising trade protectionism. For economies in the region, winning the trade war would entail banding together to mitigate the adverse effects from sluggish global demand and lower world trade – in addition to taking advantage of the fleeting window of opportunity afforded by trade and investment diversions. After all, despite the momentary reprieve offered by a "Phase One", global trade challenges will only continue to intensify. Mere days after the agreement was reached with China, the Trump administration suggested that it was ready to escalate another of its many trade battles: this time with the European Union firmly in its crosshairs.

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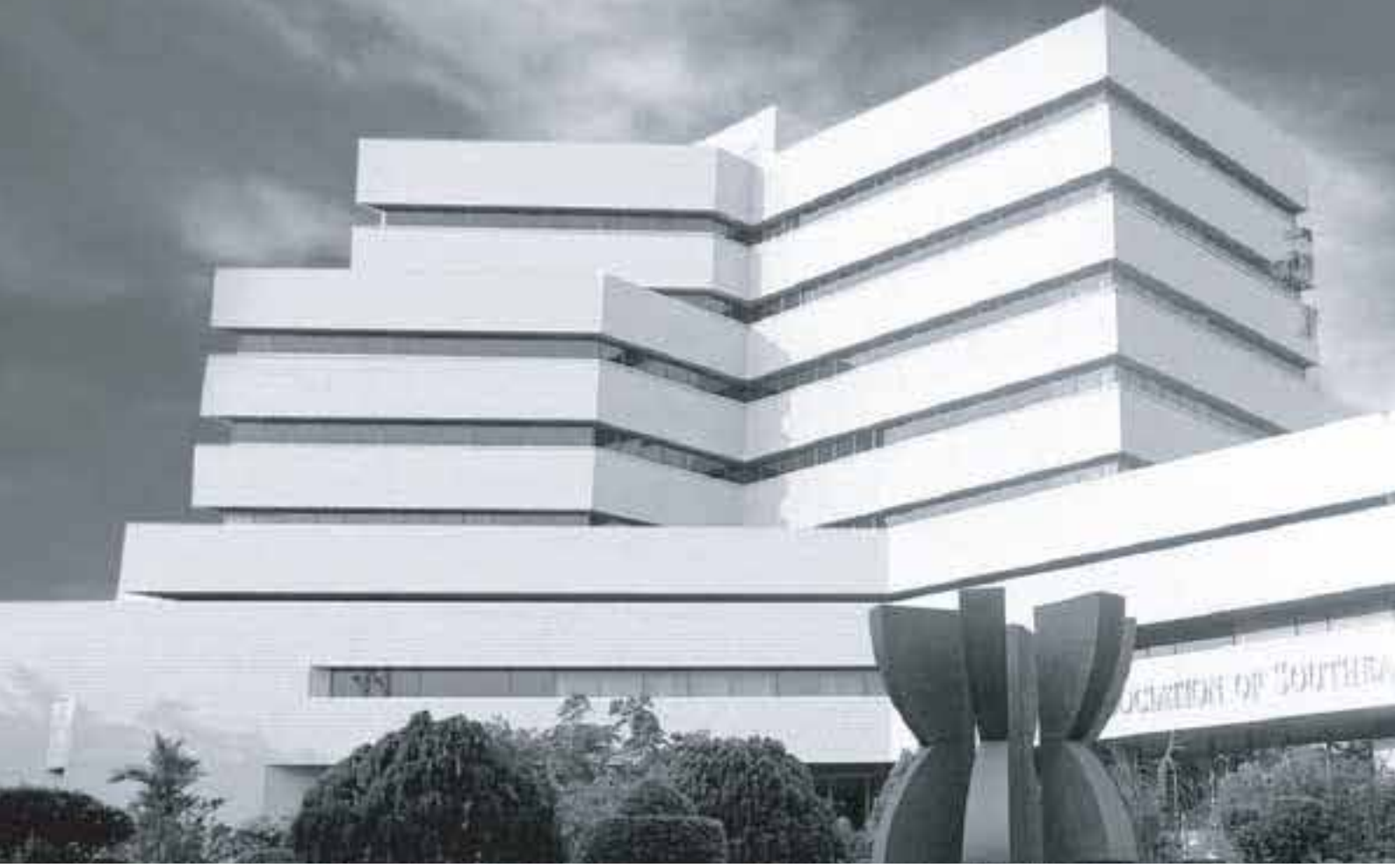

ASEAN'S MID-LIFE CRISIS IN AN AGE OF GEOSTRATEGIC FLUX

By Thomas Daniel

The Association of Southeast Asian Nations (ASEAN) has come a long way since its founding in 1967. The organisation now encompasses almost all Southeast Asian countries and is regarded as one of the most successful regional organisations of its kind. Yet will ASEAN be able to navigate these challenging times of insecurity?

If ASEAN were a country, it would be the world's seventh largest and is projected to be take the fourth spot by 2050. Its economy has grown almost 100-fold and now boasts a combined GDP of around US$2.8 trillion. The establishment of the ASEAN Economic Community (AEC) in 2015 marked a major milestone in its efforts on regional economic integration.

Its political and security achievements are no less impressive. In a region fraught with conflicts since the end of World War II, ASEAN Member States have never, despite their various disputes, had any serious armed clash amongst themselves. Many of the existing regional multilateral regional

economic, strategic and security arrangements – Asia-Pacific Economic Cooperation (APEC), ASEAN Regional Forum (ARF), East Asia Summit (EAS) and ASEAN Defence Ministers' Meeting (ADMM) Plus – were either initiated by ASEAN or see ASEAN as a key component. All in all, it plays a central role in wider regional stability.

Another significant, but often underplayed achievement, is the establishment of the Socio-Cultural Community – which aims to improve the quality of life of its peoples through cooperative activities that are people-oriented as well as environmentally friendly and geared towards the promotion of sustainable development. Given ASEAN's emphasis on the sovereignty of member states in terms of policymaking and the sensitivity on encroaching on one's internal affairs, it is quite remarkable that there are now groups at various levels – ministers, senior officials, technical committees and non-governmental organisations – discussing and, at times, attempting to harmonise various policy matters on education, sports, women and family development, poverty eradication and healthcare.

However, while much has been achieved, most observers and stakeholders are in agreement that ASEAN is undergoing tremendous challenges. These are both externally imposed and originate from within the organisation and its member states. What makes them all the more significant, but tough, is that they are taking place amidst a broader regional environment of uncertainty – where disruptive issues run rampant and longstanding established norms, including multilateralism, are increasingly being ignored by states.

One critical external challenge with potentially severe consequences is the impact of major power competition, in particular the dynamics between the United States and China, on the cherished yet rather ambiguous "centrality" of ASEAN. This dynamic, which is increasingly competitive and possibly adversarial, has contributed to the wider geostrategic flux in the wider region. While ASEAN has kept itself relatively disentangled from such rivalry, there are signs of this beginning to unravel. Both major powers do hold significant sway over different ASEAN Member States. Indeed, both can and will either ignore ASEAN or work to sway decisions when it suits them.

Nowhere is this more visible than in how ASEAN has had to manage the South China Sea dispute, which involves several member states as littoral claimants. ASEAN communiques and joint statements on the matter have become a largely predictable and timid affair, given how some member states effectively use what amounts to a veto to block the adoption of language and statements that would lend greater urgency to the concerns posed by China in the dispute.

The trade element of the US-China dynamic, largely coloured by the infamous trade dispute or trade war between the two major powers, also bring up another troubling concern for ASEAN and its member states. Many members of ASEAN are at different levels of development and depend on trade, heavy investment or, in some cases, aid, from the two major powers and their allies. The more developed economies of ASEAN are also closely connected to the global supply chains of both major powers. While some sectors here might have benefitted from the dispute, the longer and more protracted this trade dispute gets, the worse the risks for ASEAN Member States, especially if the tit-for-tat sanctions worsen.

Despite the constant reassurances by both the United States and China that they do not desire to undermine ASEAN cohesiveness and neutrality, many observers and stakeholders in this region perceive just the opposite. In fact, some further argue that given the state of affairs between the two major powers, it is not in their interests to allow ASEAN a relatively free reign to play a bridging role in the regional security and strategic architectures.

On the internal front, despite the significant progress mentioned earlier, ASEAN continues to face challenges in terms of unequal growth, meaningful economic integration and the need for sustainable development. Many of these are longstanding – especially developmental gaps and opportunities between different member states. Access to technology, education and even banking facilities vary significantly between the more developed member states and those in the bottom rungs. Despite the various milestone goals and achievements under the AEC, there are questions whether the less developed countries of ASEAN have really benefitted as much as their better off siblings. It is not uncommon to hear the sentiment that the latter have largely ignored the former when it comes to quality economic initiatives and this has caused some resentment.

"… ASEAN continues to face challenges in terms of unequal growth, meaningful economic integration and the need for sustainable development"

Further compounding this is the fact that ASEAN is home to young, literate and increasingly urbanised and aspirational populations. Member states are confronted with demands to help their young populations meet the challenges of a modernised world. ASEAN governments will need to work closely with the private sector and non-government organisations to adopt innovative approaches and achieve sustainable solutions.

Last, but not least, domestic developments within countries – including insecurity in the Southern Philippines – and natural disasters remain a challenge for the regional organisation and its member states. While there has been a concentrated multilateral effort to address the latter, the former remains a hot-button for many regional observers. Here, the issue of displacement in Myanmar, particularly of the ethnic Rohingya from the Rakhine state is a longstanding and prickly issue for the regional

"One of the most recommended suggestions is for ASEAN to strengthen its Secretariat and various mechanisms and agencies in terms of personnel, funds and powers"

organisation. For member states like Malaysia, in particular, it is an increasingly urgent matter as there are real concerns about state-sanctioned genocide that has been taking place, as well as the large numbers of displaced Rohingya that are present in, and headed to, Malaysia.

Given such circumstances, the discussion on how ASEAN and its member states can effectively respond is a common one in conferences, presentations and articles these last few years. And at the rate things are going, it might remain that way for the foreseeable future.

One of the most recommended suggestions is for ASEAN to strengthen its Secretariat and various mechanisms and agencies in terms of personnel, funds and powers. A more effective Secretariat is crucial towards strengthening ASEAN's internal centrality and dealing with some of the challenges mentioned above. There is a clear need for the Secretariat to step up its role in monitoring member states – in terms of deliverables and publicising relevant Key Performance Indicators (KPIs). But this is an extremely touchy matter for member states – with many fearing even an indication that the ASEAN Secretariat could become more like the European Commission, with executive powers that occasionally surpass those of national governments.

Another common narrative when it comes to prescriptive measures has been the need for more ASEAN leaders to step up to the mantle during these times of uncertainty. Some observers, especially veteran ones, pine for the days when "strong" regional leaders like Suharto, Mahathir Mohamad, Ferdinand Marcos and Lee Kuan Yew publically advocated for ASEAN and its relationships when dealing with major powers. They bemoan the decreased sense of regionalism among today's leaders who seem more concerned with national priorities, sometimes at the expense of ASEAN.

Yet perhaps it is this overreliance on "leaders", what more of the strongman variety, which has contributed to ASEAN's current conundrums. Rather than leaders, the emphasis should perhaps be on leadership – which is more enduring than the former. The challenges ASEAN faces, and the organisation itself, have changed. The type of leadership it needs must morph accordingly. There needs to be a focus on institutions and instilling the proper processes and safeguards. Whether ASEAN and its member states are prepared to do this, however, is another question.

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TRASH TALK: IS WASTE EMERGING AS A NEW SECURITY THREAT?

By Alizan Mahadi

In 1991, former chief economist of the World Bank Lawrence Summers caused a stir when he laid out an argument that the economic logic behind dumping toxic waste in developing countries was "impeccable". The logic goes that more migration of dirty industries and toxic waste to developing countries should take place because it was cheaper to do so and these countries were "under-polluted". While the memo was meant to be sarcastic, the logic seems to have been applied seriously today. In particular, Southeast Asia has become known as the world's dumping ground.

In 2017, China had become the world's largest importer of recyclables. But when the Chinese government decided to restrict imports of solid waste from overseas, waste exporters began to divert their waste to various countries across Southeast Asia. Within months of the import restrictions, Malaysia had replaced China as the world's largest importer of plastic scrap. At its peak in March 2018, Malaysia had imported about 139,000 tons of plastic waste per month, up from 22,000 tons per month a year earlier.

The consequences of these actions are not limited to being an eyesore. Incineration of what was supposed to be recycled plastic has led to air pollution and health and respiratory problems in adjacent areas due to smoke. Waterways that were meant to provide clean water are now filled with trash-clogged rivers. Forests that are home to biodiversity are littered with the illegal dumping of hazardous material and plastics.

More directly, the incident on 25 May 2019 at Laem Chabang port in Thailand illustrates how the transport of waste can lead to life threatening situations when a fire, caused by a vessel carrying chemical waste, erupted. More than 130 people were hospitalised due to eyes and throat irritation as well as burning sensations on their skin. Nearby inhabitants had to evacuate as ash rained down on their homes.

Reports attributed the incident to chemicals – calcium hypochlorite and chlorinated paraffin wax – that were not declared.

The danger to human and environmental health and the potential for conflict has led to a serious consideration on whether

waste is an emerging security threat. At the minimum, it certainly can – and has – resulted in diplomatic rows.

Most notably, Philippines President Rodrigo Duterte threatened to "declare war" against Canada if they refuse to take back tons of waste that were sent to the Philippines. The Philippines government accused the importers of mislabeling the containers of household waste as plastics for recycling. Amongst others, it resulted in a five-day travel ban of official trips to Canada and the recall of its ambassador to Canada when the 15 May 2019 deadline to retrieve rubbish was missed.

While the rhetoric may suggest that conflict on waste is imminent, a governance perspective on the issue tells a different, and perhaps, less sensational story.

Firstly, while states may raise it as an international issue, much of the waste trade is between private actors. This was Canada's initial response to the dispute, where it highlighted that the waste in question was a private commercial transaction, which was done without the government's consent. It was reported that Chronic Inc., from the Canadian province of Ontario, shipped the containers to the Philippines through Chronic Plastics Inc. of Valenzuela City of the Philippines.

Secondly, addressing this challenge is dependent on the strength of local governance on waste. For importing countries, governance of waste trade is often mired by fragmentation with different ministries and agencies responsible for different parts of the cycle.

In the context of Malaysia, for example, the problems begin with plastics being falsely declared at the ports. Customs (under the Ministry of Home Affairs) are responsible for inspection. However, being understaffed, it is able to only inspect 10 percent of all consignments. In terms of storage and operations, licensing for keeping plastics at the premises and recycling operations are issued by Local Councils under the Ministry of Housing and Local Government. Finally, if the waste results in environmental pollution, it is then the responsibility of the Department of Environment, under the Ministry of Energy, Science, Technology, Environment and Climate Change.

Such fragmentation has not only resulted in poor monitoring, but also the exploitation of loopholes by unscrupulous actors.

For the exporting state, domestic laws and regulations will also differ. As the source of the waste, effective enforcement to ensure that waste is properly declared and inspected is critical to avoid a diplomatic row. In the case of the Canada-Philippines dispute, while Canada attributes liability to the industry, a challenge arose as the private firm responsible was no longer in operation. In effect, the local municipality had to pay for retrieving the waste from the Philippines.

This brings us to the third and final point. One of the main reasons Canada agreed to take back the waste from the Philippines was due to the need for the exporting state to seek prior informed consent from the importing state before sending hazardous wastes and "other wastes" (which initially includes household waste and incinerator ash) under the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. To ensure that countries do not run afoul of international law and treaties, exporting countries, in particular, are required to ensure that their own domestic laws are coherent.

The above demonstrates that ultimately the key issue is to strengthen institutions, both domestically and internationally. Internationally, the move to include plastic waste as "other waste" under the Basel Convention is a step in the right direction. However, the challenge lies in policy coordination and harmonisation at multiple levels and scales.

If good governance and common sense do not prevail, the issue of waste trade can result in endangering the health and lives of importing countries and lead to waste being regarded as a security issue. Unless and until a significant and deliberate incident occurs, it is more likely to be a source of trash talking at worse and international cooperation at best.

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MAKING HEADS OR TAILS ON ARMS: TECHNOLOGY AND DEFENCE SPENDING

The undetermined future of the Intermediate-Range Nuclear Forces Treaty (INF) remains a concerning indicator for the state of global nuclear disarmament and arms control. While understandably less headline-worthy as potential nuclear-induced doomsday or promises of developing advanced warheads, not much has been said about their conventional counterparts. Specifically, not much has been said about the preparedness of states in facing the challenges brought upon by the rapid pace of new technologies in conventional military capabilities.

By
Izzah Khairina Ibrahim

According to the Stockholm International Peace Research Institute (SIPRI), the world's global military spending rose to US$1.8 trillion in 2018, the highest in real terms since 1988. Driving much of this spending was the pivotal role technology played in shaping the character of warfare and the ambiguity of the international or given regional environment. In conjunction with the inherent unpredictability of strategic threats, many armed forces resorted to capitalising on technological disruptions to avoid potential surprises.

While not inherently detrimental, the issue with such an approach lies in the choices decision-makers take in maintaining security. This approach, marked by a dependence on state-of-the-art technology, long survived the Cold War and it has not shown signs of changing. This is problematic when newer technologies, including weapon systems such as lethal autonomous systems, cyber warfare instruments and biological weapons, are being introduced. They are not fully understood nor scrutinised over the effects they may have on the overall military balance of a particular region or the broader international environment.

These concerns are particularly germane for the Asia Pacific, a region long highlighted as ripe for arms racing in the eyes of external onlookers. This constant shadow has often left negative interpretations of the future of

arms purchases and developments for the region.

Yet, at the same time, this perspective tends to overlook contextually specific interests and dynamics that compelled the states to contribute almost a third of the world's arms purchases in the first place.

When considering the driving factors for the increased spending of the Asia Pacific, the situation in the region does show that obvious explanations are often there for good reason. Regardless of general suspicions towards modernisation efforts as a facade for undisclosed intentions, it remains to be the main reason for such purchases. Much of the region's armed forces, while not necessarily occurring at equal rates, are on the general path of overhauling their outdated platforms.

Furthermore, improved prosperity of these countries, such as rising incomes, economic growth and improving industrial capabilities, create a much more encouraging environment to do so.

Another driving factor is the multipurpose role of the military, whose involvement goes beyond traditional defence repertoire to be added under the general purview of socio-economic development and stability. However, this greater demand for the necessary infrastructure and platforms to do so has exacerbated intra-agency rivalries. A notable example is the constabulary role of the navy in tackling illegal fishing operations in Southeast Asia as an additional protective measure for local fishing industries. This is largely attributed to overall better access to funding and resources vis-à-vis their civilian counterparts. The preference in doing so has not only aggravated existing schisms between civilian and military forces, but also blurred the intended scope of the armed forces.

"Much of the region's armed forces, while not necessarily occurring at equal rates, are on the general path of overhauling their outdated platforms"

It demonstrates that while there is a predominant military focus in arms expenditures, the struggle remains in achieving sophisticated development without overshadowing other portfolios within a given national budget. A McKinsey and Company assessment of Southeast Asian defence industries highlighted that there is greater likelihood in acquiring, or perhaps building them on the long-term, versatile platforms to allow for modernisation and upscaling to occur within budgetary constraints.

Included in these platforms are special mission aircrafts geared towards maritime patrol and anti-submarine and airborne early warning systems. In a similar vein, cargo and transportation vehicles are considered for dual purposes, such as humanitarian aid and disaster relief. These reflect the generally inward focus of Asia-Pacific states, even in matters such as defence.

However, it does not imply that these developments are occurring within a vacuum. There remains inter-state competitive dynamics, regardless of the absence of traditional indicators of arms racing. Thus, both proactive and reactionary measures are taken by states based on their threat perceptions of the environment around them.

Evident responses have been noted in regional competitive dynamics between India, Japan, South Korea, and even the United States, responding to how they saw fit to respond to China's actions regionally and beyond. Combined with the existing flashpoints in the region and the general sense of distrust, the chances of spiraling into more aggressive competitive dynamics still needs to be respected as a possibility.

"… while there is a predominant military focus in arms expenditures, the struggle remains in achieving sophisticated development without overshadowing other portfolios within a given national budget"

The aforementioned considerations denote that both internal and external demands shape the rationale for defence procurement. It is driven by strategic considerations based on technological superiority, which ultimately rests on the demands for an effective technology policy with an adept handling of operations and budget. However, this will depend on how states of the region are able to future proof themselves for subsequent technological disruptions. More often than not, the push towards technologically intensive solutions has not worked as intended. The reason for such is that, despite the challenges threatening stability and security, there has been no viable alternative in sight.

Its inflexibility has shown itself through the inability to adapt to disruptions and changes. The accessibility of the global markets for potential competitors cannot be overcome in ways other than increased competitive spending and the ability for potential adversaries to resort to asymmetric counter-measures have not deterred further attempts to seek even more advanced systems.

Over time, defence research and development efforts have become less and less capable of generating and reacting to disruptive technologies. For those states without established industries, they are disadvantaged by lacking the necessary infrastructures to not only maintain their purchases but to develop their own local industries to maintain defences. Even cases such as Southeast Asia have not done so with the full intention of competition, but merely a method of boosting their national economy. Furthermore, should this transformative period occur, if the investment is limited, attempts to keep pace would only become a fruitless effort.

It is important to reiterate that simplistic conclusions about fearing inevitable arms races should not dictate future conversations on arms dynamics. The complicated and often conflicting goals of the Asia-Pacific region show how the considerations of internal and external pressures are not always balanced.

The region also remains playing "catch up" in not only aspects of national development, but also to gain an advantage in their ability to maintain its security. Existing issues and regional competition notwithstanding, greater dialogue and confidence-building measures are needed regarding such expenditures and the related industries to prevent from encouraging an unsustainable cycle of arms expenditure dynamics. While not overwhelmingly successful, it had been the approach for their nuclear counterparts. Indeed areas of ambiguity can be reduced even though the points of uncertainty may not be fully eradicated.

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Nuclear Arms Control in Crisis: A Game-changer for the Asia Pacific?

By Ralph A Cossa

Is nuclear arms control a game-changer for the Asia Pacific? The simple answer is that it could be, but probably will not be – since not all of the nuclear actors in the region are likely to want to play the game.

The term "nuclear actors" should be understood as nuclear weapons-capable states rather than nuclear weapons states (NWS) per se since the nuclear community still pretends that there are only five NWS, as described in the Nuclear Non-Proliferation Treaty (NPT). If a country has declared itself a nuclear weapons-capable state and has, in fact, demonstrated that capability to the world, then it needs to be part of the nuclear arms control dialogue, regardless of whether or not it has official NWS status. When it comes to arms control, we can no longer pretend that they do not exist.

The great irony is that the only state that seems eager to join a multilateral dialogue on arms control is the one country no one wants to invite to the discussion, namely the Democratic People's Republic of Korea (DPRK). Suffice it to say in this context that Pyongyang sees participation in the global debate as a means of legitimising its self-proclaimed status as a NWS, which rightfully the rest of the world will and should not accept.

Beyond that, everyone seems to

be a fan of multilateral arms control, as long as it involves everyone else, but not their country. At a recent multilateral meeting, which discussed the way forward following the demise of the Intermediate-Range Nuclear Forces (INF) Treaty, the Indians saw the need for China to be involved in any follow-on to the INF Treaty while seeing no reason for India to be involved. The Chinese, however, saw India's participation as vital, but not China's, due to Beijing's no first use policy; despite China having the world's largest inventory of intermediate range missiles (as defined by the INF Treaty).

Is the United States' decision to withdraw from the 1987 INF Treaty the most severe crisis in nuclear arms control in the post-Cold War era? Even so, this would only be true until 2021 when New START comes up for renewal. Its breakdown – and there is a real possibility, especially if the current US administration remains in power in 2021 – would be a more legitimate cause for concern and could cause a new potentially destabilising arms race.

The US withdrawal from the INF, while unfortunate, seemed inevitable, not because the Trump administration was looking for an excuse to withdraw, but because Russian cheating, which started and was called out during the Obama administration, made withdrawal necessary. It is somewhat ironic – although some would call it poetic justice – that the United States has managed to get the lion's share of the blame for the INF's demise, even though it was Russian cheating, and its refusal to acknowledge and address US concerns, that was the real cause.

Undeniably, the Russians did the United States, and themselves, a huge favor by causing the Treaty to collapse. While the United States has now pointed to China's growing ballistic missile capabilities as a contributing factor, Washington remained willing to stay in the Treaty since the benefits derived from halting Russian's development of INF missiles exceeded the costs of having China's missile build-up going unchecked. While not downplaying the China challenge and growing US concern about Chinese intentions, Russia remains the only country that poses an existential threat to the United States. As long as Russia continued to honour the Treaty, it was a net benefit in terms of US security. But Russia's failure to honour the Treaty removed the benefit, making the cost unacceptable.

It is useful to observe that, prior to the Treaty's demise, the loudest protests about China's INF capabilities emanated not from Washington, but from Moscow, China's strategic partner. Indeed Russia was doing itself, as well as Washington, a favour by withdrawing. Both have now made it very clear that the Treaty will not be revived unless China, potentially among others, joins. China, of course, prefers a situation where Russia and the United States both tie

one hand behind their backs while Beijing has both hands free.

It is also helpful to note here that the textbook definition of an intermediate-range missile is one with a range of 3,000-5,500 kilometers (approximately 1,860-3,410 miles). The INF Treaty goes beyond this, prohibiting ground-launched ballistic and cruise missiles with ranges of between 500 and 5,500 kilometers (310 and 3,410 miles), their launchers, and associated support structures and equipment. If a new multilateral Treaty were negotiated, this definition could, and likely would, change.

Creating a new INF Treaty would require more than a redefinition of the parameters, however. It really requires a different mindset regarding arms control in general. When treaties like the INF, START or New START were promulgated, it was very much a bipolar world. There were the two superpowers – which individually as well as collectively could destroy the world multiple times over – and then there was the rest of the world, and the rest of the world did not matter much. This has clearly changed. US and Russian numbers have declined dramatically (although global destruction remains a concern) and the rest of the world have steadily closed the gap (although it admittedly still remains significant).

It can also provide a means through which nuclear weapons-capable states can honour their commitment to work towards the global elimination of nuclear weapons.

It is hard to imagine a world without any nuclear weapons. Or, more accurately, it is tough to envision how we get there from here. But we should not let the difficulty (if not impossibility) of

"… the only state that seems eager to join a multilateral dialogue on arms control is the one country no one wants to invite to the discussion, namely the Democratic People's Republic of Korea (DPRK)"

getting to zero prevent us from working towards zero, and both Washington and Moscow have made it clear that future reductions are not likely without assurances that they will not result in a "rush to parity" by other nuclear actors.

The first step that is required is for all states that possess nuclear weapons to agree to a production and deployment freeze, since the first step in making things better is to stop making them worse. Then they should be discussing proportional reductions; for example, an initial 10 percent reduction across the board – Russia and the United States would cut 155 weapons, China roughly 30, North Korea perhaps three, and so on, based on verifiable numbers, of course.

Meanwhile, with the landmine and cluster munitions bans as well as the INF Treaty in mind, the international community needs to focus on identifying weapons which can and should be reduced or eliminated in the interest of greater stability (not to mention significant defense expenditure savings).

Yet there are two complaints.

First, it has been said that China would never accept any type of multilateral arms control agreement. But China signed the Comprehensive Test-Ban Treaty (CTBT), Chemical Weapons Convention (CWC), Biological Weapons Convention (BWC) and Outer Space Treaty, and actually proposed, with Russia, a new multilateral treaty to ban the weaponisation of outer space. China, like all other nations, will do what it believes is in its own national interests. Surely there are other types of agreements that serve China's interest as well as ours and others.

Second, there are people in the Trump administration who reportedly never saw an international treaty they did not immediately want to eradicate. Perhaps, but the President himself takes a transactional approach to foreign policy in general and seems to be interested first and foremost in what various initiatives cost or how much they can save. Much could certainly be saved by agreeing to a global ban on hypersonic weapons, for example. The cost of developing these weapons and trying to develop defences against them are undoubtedly staggering.

Attaining future arms control agreements will not be easy. But past efforts have been successful when they serve the national interests of all the parties concerned and are abandoned when they no longer do so. Future efforts to identify new methods of serving individual national interests, and through them the greater good, should at least be tried.

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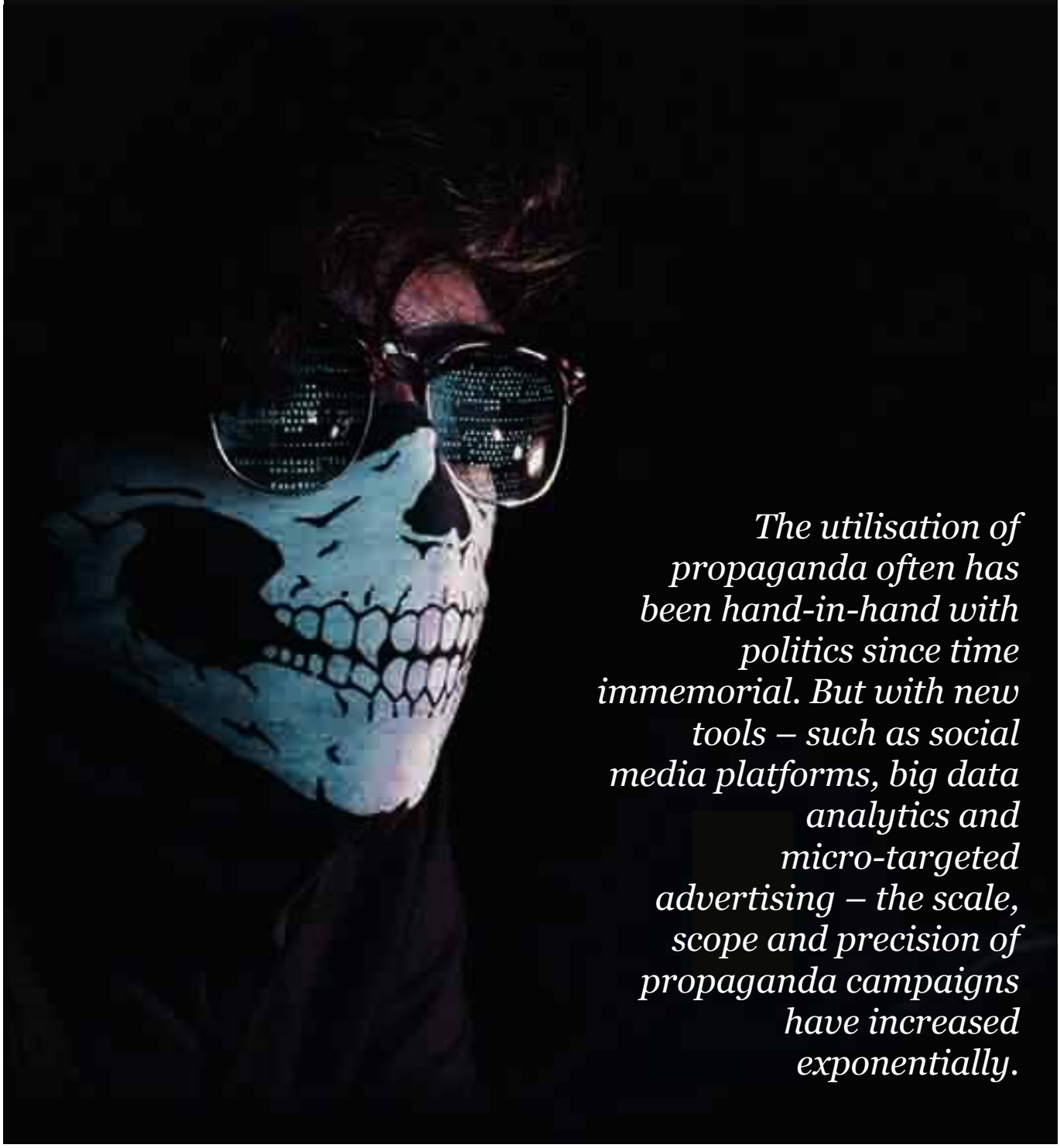
EVERYWHERE AND NOWHERE: CYBERTROOPERS AND THE BATTLE FOR DEMOCRACY



The utilisation of propaganda often has been hand-in-hand with politics since time immemorial. But with new tools – such as social media platforms, big data analytics and micro-targeted advertising – the scale, scope and precision of propaganda campaigns have increased exponentially.

By Harris Zainul

In the not too distant past, rolling tanks, men with guns in their hands and bloodshed would signal the impending demise of a country's democracy. These days, tanks have been replaced with digital propaganda campaigns – men are no longer armed with guns, but rather a combination of real, fake and "cyborg" social media accounts, and blood on the streets have been replaced with bytes of disinformation.

Subtler in nature, especially when contrasted against the coup d'etat – the traditional means of upending democracies – the consequences of digital propaganda on democracy are equally destructive. However, due to how it subtly erodes rather than outrightly upends democracies, these digital campaigns go unnoticed to most – including democracy's traditional defenders.

Worrying is how quickly this strategy is catching on. In 2019, organised social media manipulation had taken place in 70 countries – a 150 percent increase from 2017 – according to the Oxford Computational Propaganda Research Project. As it stands, those responsible can come from three broad categories: political parties wanting to massage public opinion; foreign governments attempting to meddle in the democratic affairs of another state; and private contractors for hire.

To obfuscate their activities, cybertroopers – defined as actors acting on behalf of the government or political parties to manipulate public opinion online – use a combination of human-operated accounts, automated-bot accounts and "cyborgs" – an account that is both human-operated and automated at different times.

Further, these cybertroopers are also evolving with the times. In the past, the accounts deployed to spread propaganda were rudimentary and could be easily detected through their predominantly political content and the lack of a convincing profile picture. Today, cybertroopers make use of fake profile photos and are interspersing propaganda with organic content – giving these accounts a thicker veneer of authenticity. A consequence of this is that the ability to discern who is behind a particular account, by researchers and more so by the general public, is increasingly complicated.

Contrary to mainstream opinion, when it comes to content, these propagandists do not solely produce outrightly false content to disinform and misinform. Rather, the propagandists also seek to pollute the information environment with half-truths that seek to appeal to the baser instincts of the electorate. This is to sow confusion, widen the division between ideologies and harden the distrust between political oppositions. Besides this, cybertroopers can also deploy an army of bots to spam content with the intention of harassing individuals and to drown out and divert attention away from dissent and criticism.

In the not too distant future, these strategies could even incorporate "deepfake" technology and audio-alteration softwares to create fake audio-videos of politicians, civil society leaders, or people of interest to say literally anything at all. Bots, rather than operating on keyword-triggered scripts to respond with preset messages, can be trained through natural language processing software to respond with syntactically and contextually-accurate replies.

Taken together, the reality of today and the risk of tomorrow come at the expense of suppressed democratic participation, the zeitgeist of the day being hijacked, and the high-quality information environment that underpin healthy democracies being polluted. With that, the capability of society at large to discuss, debate and deliberate on pressing issues of concern is undermined. Of concern here is that even if individuals want to contribute to the "marketplace of ideas" through discourse, they can never be sure whether on the opposite end of their screens are genuine individuals, or an account belonging to a propagandist.

Complicating detection efforts is how with social media allowing

"These days, tanks have been replaced with digital propaganda campaigns … and blood on the streets have been replaced with bytes of disinformation"

anyone to create fictional personas, coupled with off-the-shelf Virtual Private Network (VPN) applications to mask IP addresses – only the most dedicated, technically-trained and well-funded will be able to identify these propagandists. In this sense, propagandists are simultaneously everywhere and nowhere. More nefariously, some could even claim that it is merely citizens exercising their basic freedom of expression, and not a coordinated propaganda campaign utilising cutting-edge technologies to exploit cognitive biases.

Making matters worse are countries with low public trust in the media. When coupled with a hyper-partisan political environment and coordinated propaganda campaigns to mislead, it becomes near impossible to locate common ground and agreed facts to centre discourse upon, and for compromise and ways forward to be worked out. Besides, even if the media sought to retain their traditional role as the fourth estate – the guardrail of democracy – they would have to do so at a time with decreasing revenue and a disrupted media environment where speed is prioritised over precision.

Given this, how should the defenders of democracy "fight back" and how should governments respond when the enemy cannot be seen? Against this backdrop, the silver bullet remains elusive and it will be difficult to halt the erosion of democracy. That being said, as a start there are obvious things that can and must be done.

First, governments need to invest in capacity building to ensure that it has sufficient infrastructure and personnel to identify cybertroopers. Without the capability to identify these actors, and to an extension, the nefarious narratives they are introducing to the discourse, counter messaging efforts would stand little chance.

A step further for governments would be to determine the appropriate means for accountability. If it is punitive legislations, then two issues need to be resolved. The first concerns achieving legal certainty – a key tenet of the rule of law. This would prove to be easier said than done due to the inherent difficulty in distinguishing between cybertroopers and ordinary citizens who support the cause. Further, owing to the attendant complexity in identifying a definition for the crime – one that is specific enough to not risk casting a chilling effect on free speech, yet sufficiently broad to penalise those responsible – punitive legislations would require the most deliberate legislating.

The second is that cybertroopers – especially those involved in influence operations – could operate outside of the country's jurisdiction, raising questions pertaining to the punitive legislation's extraterritorial applicability and whether mutual legal assistance would be granted. Here, there is also a risk for authoritarian states to "learn" from the example of what is being done in democratic countries, and to use these to justify their own versions of anti-foreign influence laws. As there is a fine line between cybertroopers influencing a democracy, and genuine dissidents of a regime, this line can be easily and conveniently obfuscated to serve as a tool to silence dissent.

Second, politicians need to commit to higher levels of transparency when it comes to their digital media engagement. It is not wrong for those in politics, through internal capacity or by engaging private

contractors to spread their politics, policies and position, but the people should know when they are consuming content originating from a political party or politician. Here, offline norms of politics, such as transparency in political stances concerning key issues to the electorate, should be replicated in the cyber realm.

Third, more must be demanded of social media companies. Efforts have been made towards ensuring political advertisements are flagged as such, but users also should have the right to know whether an account belongs to an individual or is part of a cybertrooper's arsenal of accounts. Similarly, social media companies should make known whether content is being amplified by cybertroopers and how its algorithms are interacting with the content the users are seeing.

"… cybertrooper strategies are only as effective as the existing pressure points in the societies within which they operate"

Additionally, social media companies should figure out its values and the kinds of behaviour that it deems to be problematic. If actions, such as spreading propaganda and micro-targeting of voters based on browsing patterns are deemed to be contrary to those values, then companies need to anchor their responses in that value, and take the appropriate actions including deplatforming. While some might question the value of deplatforming as admittedly there is nothing stopping cybertroopers from creating new accounts, its effect on increasing the financial and time costs for these cybertroopers to amass new followers should not be discounted. A similar strategy had worked well for countering radicalisation content on social media and the same could work in terms of digital propaganda as well.

Fourth, and perhaps most important here is for society and the traditional defenders of democracy to step up their game. The electorate need to be cognisant that these cybertrooper strategies are only as effective as the existing pressure points in the societies within which they operate. For a while now, there has been a growing sentiment that democracies have not been able to produce the proverbial "bread and butter" for the people, and this sentiment could only be exacerbated once the forces of the Fourth Industrial Revolution, climate crisis and economic inequality fully take holds and its effects set in.

In fact, to some today, it seems to be the case that what matters most is whether the government – regardless of whether it is a liberal democracy, semi-democracy, or even authoritarian – is able to provide the public goods for its people. The cases of China, Singapore and maybe even Rwanda in the future, is testament to benevolent authoritarianism being a legitimate means of governance despite what those holding onto liberal values might feel about them.

That said, democracy and democratisation can no longer be honestly said to be historically determined, or an inevitability as nations and its people grows richer. The modernisation theory – that as a country's middle class increases in size so will the demand for democracy – has never been further from the truth as it is now.

Considering this, what needs to happen instead is for the people living in democracies to have genuine, meaningful conversations about the direction their politics is heading towards, and the implications of the choice of platforms for discourse today having shifted from the commons owned by the public to the privately-owned social media.

In the same vein, there needs to be a reconsideration of how political institutions, regulations and norms that were formed in the analogue age should adapt and evolve for the digital age. Ethical questions about the usage of personal data and big data analytics to inform micro-targeted political messages, algorithms skewed towards the extremities of viewpoints to hold attention spans, among many others, need to be debated and deliberated.

As democracies stand at this inflection point, the whole of society needs to resist from the temptation of retreating towards illiberal policies and legislations to ostensibly protect liberal democratic institutions. While this could pay dividends in the short term, the democratic price to pay in the long term will be unsustainable. Here, it bears worth remembering the old adage, "the cure for the ills of democracy is more democracy".

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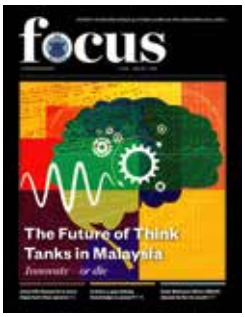
Selected Publications



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