

# PERSPECTIVE

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## **Why the Mekong Matters to ASEAN: A Perspective from Vietnam**

*Le Hai Binh and To Minh Thu\**

### **EXECUTIVE SUMMARY**

- The Mekong subregion, located at the crossroads of China, India, and mainland Southeast Asia, is the focus of numerous mega-connectivity initiatives. Its strategic location, economic dynamism, and abundant water resources bring about both opportunities and challenges for ASEAN.
- The Mekong plays a pivotal role in the process of ASEAN community-building by providing opportunities to close development gaps, increase intra-ASEAN trade and investment, and fulfil its political and security mandate.
- As ASEAN chair for 2020, Vietnam is expected to push for Mekong related issues. However, the COVID-19 pandemic has narrowed significantly Vietnam's window of opportunity to do so.
- The inclusion of such issues in the ASEAN agenda will help strengthen ASEAN's relations with its external partners and cement its centrality in the evolving regional architecture.
- A successful advocacy of Mekong issues by Vietnam to other non-Mekong ASEAN member-states would help highlight its chosen theme. This will support Vietnam as the chair of "cohesiveness and responsiveness", which aims to strengthen ASEAN unity and ASEAN's adaptive capability in a changing global and regional environment.

*\* Le Hai Binh is former Vice President of the Diplomatic Academy of Vietnam and To Minh Thu is Deputy Director General of the Institute for Foreign Affairs and Strategic Studies, the Diplomatic Academy of Vietnam.*

## **IMPORTANCE OF THE MEKONG**

Among about 260 international river basins, the mighty Mekong River, which originates from China (known there as the Lancang River), is the 12<sup>th</sup> longest river basin in the world. The river connects upstream China to downstream Myanmar, Laos, Thailand, Cambodia, and Vietnam. Downstream of Myanmar, the river is called the Mekong River and the five riparian countries are known as the Mekong countries. They make up the Mekong subregion and serve as an important land bridge between Southeast Asia and China in the north and India in the west; effectively, between East Asia and South Asia.

The Mekong countries account for about 37.5% of ASEAN's population, 43.2% of its land surface, but only 29% of its GDP.<sup>1</sup> Continued efforts at economic catch-up and deeper international integration have resulted in the subregion's fast and dynamic growth in the last few decades. However, the development gap between Mekong countries and the other more developed ASEAN member states is a challenge yet to be overcome.

The Mekong River plays an important role in the riparian countries' development. For centuries, the river has been a crucial lifeline that nourishes tens of millions of people in the subregion. It is the source of many productive activities such as fishing, agriculture, hydroelectric power, transportation, and so on. Nowadays, however, economic development and high population pressure, the lack of proper water resources management, and the lack of cooperation amongst riparian countries have resulted in rising complications in water quantity and quality, biodiversity loss, and disasters such as drought and flooding. In 2019, the lower Mekong basin experienced severe drought, with water flow dipping by 70–75% from the average of the same period in 2018. Moreover, the river's flood cycle has become irregular, severely affecting fishing, agricultural production, and people's lives. Despite the existence of many subregional cooperative mechanisms, water resources in the Mekong subregion have, in practice, been managed in an uncoordinated manner, and dominated by energy and food objectives, leading to their rapid degradation.

The Mekong countries are at a crossroads. They can take advantage of their wealth in resources, young population, and economic dynamism to move up the development ladder, or they can allow themselves to be caught in low value-added production, environmental degradation, and great power competition. They need support from ASEAN members on various issues, ranging from security, economics, environmental management, to foreign relations. On the other hand, with the Mekong basin being an integral part of Southeast Asia, ASEAN also needs to consider Mekong issues as those of the whole bloc, and leverage the subregion's growth potential and foreign investment opportunities to reduce the development gap within the bloc.

As the country furthest downstream, Vietnam is particularly vulnerable to poorly managed upstream water usage, and has been quite vocal on water security issues in different cooperative mechanisms. Thus, Vietnam's chairmanship of ASEAN in 2020 is expected to be an opportunity for Mekong countries to advocate for the discussion of Mekong issues in ASEAN and ASEAN-led mechanisms.

This article explains the importance of the Mekong to ASEAN from three aspects: (i) ASEAN Community building; (ii) external relations with key partners; and (iii) ASEAN's centrality in the evolving regional architecture. It argues that more attention to Mekong

issues would serve ASEAN's interests and help in achieving its 2025 ASEAN Community Vision in all the three pillars.

## **BUILDING THE ASEAN COMMUNITY**

Mekong issues play a critical role in ensuring the strategic interests of ASEAN and ASEAN's cohesiveness, while most importantly contributing to the building of the ASEAN Community.<sup>2</sup>

Southeast Asia is often thought of as comprising two territorial components, maritime Southeast Asia and mainland Southeast Asia, of which the five mainland Southeast Asian states of Cambodia, Laos, Myanmar, Thailand, and Vietnam make up the Mekong subregion. Advancing Mekong-related issues in the ASEAN agenda helps the association promote unity and overcome perceptions of bias among outside observers, ASEAN often appears to privilege maritime issues over mainland ones, and this potentially has serious repercussions for ASEAN unity in the long run.<sup>3</sup>

Existing cooperative mechanisms, which mainly involve riparian countries and external partners, illustrate the neglect of ASEAN countries as a whole.<sup>4</sup> The ASEAN Mekong Basin Development Cooperation (AMBDC), which was established in 1996 with the aim of boosting economic integration among its member states and building the ASEAN Economic Community by 2015, has made insignificant progress in contrast to other more dynamic cooperative mechanisms.<sup>5</sup> This, compared to the South China Sea, another regional hotspot of great focus in ASEAN-led regional security forums, illustrates the relative marginalisation of the Mekong and the need for ASEAN to reset its agenda and harmonise all member states' interests.

The Mekong River Basin faces a multitude of non-traditional security threats such as water degradation, environmental pollution, and transnational crimes—threats which will likely further aggravate matters unless treated with relevant solutions. As non-traditional security threats are borderless, and can also produce unintended negative outcomes in all ASEAN countries, a whole-of-region approach is needed to reach a well-rounded solution. Handling Mekong matters thus reflects the security interests of the whole of ASEAN. In fact, non-traditional security is part of ASEAN's political agenda. The ASEAN Political-Security Community (APSC) is envisaged to bring ASEAN's political and security cooperation to a higher level, even stating that a key mandate of ASEAN is to respond effectively and in a timely manner to all forms of threats, transnational crimes, and transboundary challenges, in accordance with the principles of comprehensive security.<sup>6</sup> Therefore, Mekong-related issues should be of major concern to all ASEAN countries, allowing for the engagement of all regional stakeholders to reach a joint strategy that helps achieve comprehensive and cooperative security.

Economically, ASEAN has to pivot to the Mekong to narrow the development gap between mainland and maritime ASEAN countries, and to create more equitable and inclusive economic growth.<sup>7</sup> The economies of Cambodia, Laos, Myanmar and Vietnam, for instance, have long been lagging behind their maritime counterparts, notwithstanding the remarkable development witnessed in these countries in recent years. A more resilient and developed Mekong creates opportunities for other ASEAN member states to benefit from this potential market, and to enhance intra-ASEAN trade and investment.

Analysts have noted, for instance, that a developed Mekong subregion will likely have a positive influence on manufacturing networks and the flow of goods and services in Southeast Asia.<sup>8</sup> This is particularly relevant in today's uncertain world, brought about by the COVID-19 pandemic, where the Mekong subregion could potentially serve as an alternative to vulnerable markets due to its geographical proximity and the ease of trade afforded by existing free trade agreements.

Last but not least, on the economic front, the Mekong subregion can serve as a focal point in promoting ASEAN connectivity. If goods from ASEAN countries can access the Mekong market and vice versa thanks to greater land and sea connectivity and infrastructure in that subregion, trading exchanges will be significantly improved. Enhancing regional connectivity and supporting ASEAN Community-building through the implementation of the Master Plan on ASEAN Connectivity (MPAC) 2025 is a top priority in ASEAN's working agenda. ASEAN has identified 19 priority infrastructure projects to enhance regional connectivity and mobilise investments, of which 15 are in the Mekong.<sup>9</sup> Connectivity projects will also help the Mekong countries integrate with the vibrant economic centres of the wider Asia-Pacific region. A strong connectivity network smoothens collaboration with external partners.

## **ASEAN AND EXTERNAL PARTNERS**

Due to its geopolitical significance, the Mekong subregion has attracted the attention of big powers and other development partners, thus reinforcing ASEAN member states' relations with external partners. There has been a proliferation of cooperative mechanisms in the Mekong River Basin, including noteworthy and active engagement with great powers and regional powers such as China, the United States, Japan, India, South Korea and Australia.

On the one hand, the various cooperative mechanisms with foreign partners provide platforms for the discussion of regional issues, especially water resources management, economic development, integration with regional and global markets, regional connectivity, and addressing common challenges. Here, they serve as a point of connectivity. On the other hand, the Mekong has been a point of conflict between mainland ASEAN countries and the great powers. In this sense, the Mekong assumes dual roles – as a security concern, and as a geostrategic sphere of influence for key players in the region.

For example, the Lower Mekong Initiative (LMI) was mentioned in various White House and Congressional strategic documents, and particularly with regard to the Free and Open Indo-Pacific (FOIP) strategy, illustrating the importance of the Mekong subregion in US-ASEAN relations. Also, while China has long been reluctant to accede to established Mekong mechanisms such as the Mekong River Commission, the creation of the Mekong-Lancang Cooperation (MLC) attests to Beijing's indisputable interest in mainland Southeast Asia, as a part of its ambitious Belt and Road Initiative (BRI). These cooperative mechanisms initiated by outsiders thus illustrate how the Mekong is not 'forgotten', and has potential to bring impetus for greater regional cooperation. The convening of senior official meetings of Mekong mechanisms on the side-lines of ASEAN meetings implies that if ASEAN avails itself of these opportunities and elevates Mekong issues to its joint agenda, it may achieve synergistic effects.

Furthermore, addressing Mekong issues in ASEAN helps Mekong countries avoid being stuck in the middle of competing great powers. Turning a ‘subregional issue’ into an ‘ASEAN issue’ potentially increases the bargaining power of Mekong countries when working with major countries, especially in areas of water security. The adoption of the ASEAN Outlook on the Indo-Pacific (AOIP) indicates ASEAN’s desire to have a separate voice amidst the competing visions of big nations. Shifting ASEAN’s attention to the Mekong is vital to maintain the subregional status quo, keep mainland ASEAN countries away from the entrapment of big powers, and counteract China’s ‘salami slicing’ strategy (of drawing mainland Southeast Asia ever closer to Beijing), which has already been applied to the South China Sea.<sup>10</sup>

## **ASEAN CENTRALITY IN THE EVOLVING REGIONAL ARCHITECTURE**

Incorporating Mekong issues into the ASEAN agenda helps maintain ASEAN centrality in the evolving regional architecture.<sup>11</sup> External initiatives by major powers are welcomed as long as they do not displace ASEAN from its central role.<sup>12</sup> ASEAN will likely lose its comparative advantage and relevance to external countries if it does not sufficiently contribute to the development of the Mekong subregion. With the increasing influence of China in the Mekong subregion, particularly Chinese financial assistance via the LMC and/or the BRI, ASEAN’s common interests might no longer be a priority if these nations are forced to choose a side.

The 10-member regional bloc’s ‘ASEAN way’, i.e. the principles of non-interference, consultation and consensus, etc, is a core value for the organisation. Given the changing geopolitical dynamics of the Mekong subregion in particular and East Asia in general, maintaining its centrality in an evolving regional architecture will be a challenge for ASEAN. It is time for ASEAN to revamp its menu of discussion to one which protects the national interests of all member states; and contributes substantially to solving pressing regional issues and to the peace, stability, and development of the region. ASEAN should be at the helm of any security and economic concern that might affect the region. It should take charge of Mekong-related issues and treat them as part of its internal affairs, and not view it as the exclusive concern of mainland Southeast Asian countries.

The unprecedented COVID-19 pandemic has reinforced the importance of non-traditional security issues and the urgent need to seriously tackle the development gap – not only within a nation, but also within the ASEAN bloc. Vietnam’s chosen theme of a “cohesive and responsive ASEAN” fits well with these circumstances. As ASEAN chair in 2020, Vietnam has done a commendable job in controlling the COVID-19 within its territory and facilitating virtual channels to ensure continuous communication among ASEAN members. Despite widespread lockdown orders, ASEAN and its partners have stayed connected during this crisis, promoted seamless coordination, and made quick and timely responses. However, to broach the rather complicated Mekong issue to the five non-Mekong ASEAN members and to reach a consensus on the issue would require doubled efforts from the chair, amid this pandemic and with the limited time left on Vietnam’s chairmanship tenure.



## CONCLUSION

The Mekong subregion is important to ASEAN in many different ways. As an integral part of ASEAN, it plays an essential role in the ASEAN Community-building. Its various non-traditional security challenges, which are the major concerns of the five mainland ASEAN countries, fit in well with the APSC's mandate, and require a comprehensive and region-wide approach. The Mekong countries' economic potential presents opportunities for ASEAN to close the development gap and increase intra-ASEAN trade and investment. Furthermore, engagement on Mekong issues would help strengthen ASEAN's relations with its external partners, and its centrality in the evolving regional architecture.

Vietnam's rotational chair of ASEAN in 2020 is expected to bring new hope for an emphasis on Mekong issues in the ASEAN agenda. As Mekong issues have become more challenging and part of the United States and China's enhanced engagement of the region, Vietnam's advancement of Mekong-related issues in ASEAN's official agenda would exemplify its chosen theme of "cohesiveness and responsiveness", which aims to strengthen intra-bloc unity and the adaptive capability of the bloc, in a fast changing global and regional environment.

<sup>1</sup> Statista (2020), ASEAN statistics <https://www.statista.com/>.

<sup>2</sup> The ASEAN Community, formed in 2015 is constituted by three pillars: the ASEAN Political-Security Community (APSC), the ASEAN Economic Community (AEC), and the ASEAN Socio-Cultural Community (ASCC).

<sup>3</sup> Bilahari Kausikan, "Regionalism in Southeast Asia: ASEAN's Future and Japan"; Francis Chan, "China's Growing Influence," *Strait Times*, April 26, 2016, <https://www.straitstimes.com/asia/chinas-growing-influence>.

<sup>4</sup> There are currently more than 10 cooperative mechanisms in the sub-region, some are among riparian countries, some are with external partners (such as the US, China, Japan) but none with non-Mekong ASEAN members or with ASEAN as a bloc. The ASEAN Secretary is observer in some of these mechanisms but so far they have not played any noticeable role.

<sup>5</sup> Shawn Ho and Kaewkamol Pitakdumrongkit, "Can ASEAN Play a Greater Role in the Mekong Subregion?," *The Diplomat*, January 30, 2019, <https://thediplomat.com/2019/01/can-asean-play-a-greater-role-in-the-mekong-subregion/>.

<sup>6</sup> ASEAN, "ASEAN Political-Security Community Blueprint," 2009. <https://asean.org/wp-content/uploads/images/archive/5187-18.pdf>.

<sup>7</sup> ASEAN, "ASEAN Economic Community Blueprint 2025," 2015. [https://www.asean.org/storage/2016/03/AECBP\\_2025r\\_FINAL.pdf](https://www.asean.org/storage/2016/03/AECBP_2025r_FINAL.pdf).

<sup>8</sup> Ho and Pitakdumrongkit, "Can ASEAN Play a Greater Role in the Mekong Subregion?," op. cit.

<sup>9</sup> "ASEAN Identifies Potential Infrastructure Projects," ASEAN, June 10, 2019, <https://asean.org/asean-identifies-potential-infrastructure-projects/>.

<sup>10</sup> After the South China Sea, Beijing's 'salami slicing' strategy is believed to now be applied to Southeast Asia's longest river. Read more, Elliot Brennan, "China Eyes Its next Prize – the Mekong," *Lowy Institute*, June 5, 2018, <https://www.lowyinstitute.org/the-interpreter/china-eyes-its-next-prize-mekong>.

<sup>11</sup> Centrality has been defined in terms of ASEAN as a driver, as convener or facilitator, as a hub or key node, as an agent of (proposed) progress (and not just process), and as little more than an expedient device to preserve ASEAN's primacy in Asian regionalism and to ward off any form of architectural renovation which could lead to its marginalization. See Seng Tan, "Rethinking 'Asean Centrality' in the Regional Governance of East Asia," *The Singapore Economic Review* 62, no. 03 (August 10, 2016): 721–40, <https://doi.org/10.1142/S0217590818400076>.

<sup>12</sup> Minh Thu To and Dinh Tinh Le, "Vietnam and Mekong Cooperative Mechanisms," in *Southeast Asian Affairs 2019* (Singapore: ISEAS–Yusof Ishak Institute, 2019), 395–411.

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