

Neo-Functionalist Regional Integration Theory Put to Test in Asia: New Regionalism around India and ASEAN¹

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ABSTRACT *Among regional integration theories that have evolved since the 1960s, neo-functionalism remains one of the essential tools to understand why nations decide to put together their economic and political destinies and how a regional integration process unfolds. The European Union remains the most advanced integration case so far, but integration movements may emerge in other parts of the world, as well. ASEAN is an interesting study case from this perspective, even though it is not yet an accomplished integration movement. The article aims to discuss the evolution of the relations between India and ASEAN, and see whether or not India's rapprochement with the organization may turn into an impetus for ASEAN to enhance its integration effort.*

Introduction and Initial Questions

Regional integration studies have emerged in order to understand and analyze the burgeoning European integration in the wake of the Second World War. To explain why and how European integration unfolded, among other regional integration theories, the neo-functionalist model developed mainly by Ernest B. Haas has proven particularly useful. Neo-functionalism has systematically analyzed the evolution of European integration since the 1960s. While doing so, neo-functionalists have also asked whether or not this model could be put in motion elsewhere than the European context.²

Neo-functionalism is sometimes considered “obsolete” in the European Union context, because of the ever-enlarging and deepening integration that has taken place there.³ Still, it is a dynamic and evolutive model, capable of providing a useful tool in order to analyze and compare regional integration attempts and initiatives.

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By devolving more authority to the supranational organizations they have created, states make sure that their citizens will begin shifting more and more of their expectations to the “union.” The economic and social integration will then “spillover” into political integration

The neo-functionalist model, which prioritizes common actions and concrete achievements⁴ among state actors, preferably neighboring ones⁵ that are willing to create an integrated entity, is based on “common solidarity” among those states. Members of such an integration movement must create common institutions toward which they are supposed to transfer progressively more competence. The neo-functionalists suggest that a will of cooperation between states or governments will not suffice to realize the integration, as the nations’ political and economic elites must encourage the rapprochement at the societal level as well, bearing in mind that, in a democratic environment, citizens must support the integration effort.

Neo-functionalism was developed by Ernst B. Haas, in the line of David Mitrany’s functionalist approach, and subsequently improved by Leon Lindberg and Joseph Nye.⁶ The theory places major emphasis on the role of the supranational organizations established to provide the dynamic for further

integration. Neo-functionalism suggests that the direction and extent of the integration cannot be known or programmed in advance. Rather, a complex mechanism of spill-over makes sure that states progressively assign more supranational responsibility to the existing organization.⁷ In fact, the entire logic of the neo-functionalist model is based on the spill-over effect.

The emergent integration will not be built from scratch instantly, according to a pre-meditated and detailed timetable. On the contrary, modest achievements are supposed to encourage progressively more integration, the economic rapprochement encouraging a political rapprochement and all this process creating the need for a flourishing institutionalization,⁸ i.e. a virtuous circle leading to full integration in all domains, even perhaps reaching the stage of a federation. Even though this theory may be seen as too deterministic, one must keep in mind that the neo-functionalist model is based on the historical evolution of the European Union.

By devolving more authority to the supranational organizations they have created, states make sure that their citizens will begin shifting more and more of their expectations to the “union.” The economic and social integration will then “spillover” into political integration. The neo-functionalist approach identifies a number of causal factors that interact and create an integration stimulus between nation-states: growing economic interdependence between

involved nations, organizational capacity to resolve regional disputes and the capacity to build an international legal regime through commonly accepted judicial bodies, supranational market rules that replace national regulatory regimes, mutual perceptions between societies and the development of common political and social values.⁹ The size of the populations, the level of economic transactions and the economy of scale that those generate as well as complementarity of political and economic elites, are also among the important conditions.¹⁰ Moreover, nations involved in regional integration must accept the transferring of their loyalty from their own national government to the newly created supranational bodies. Henceforth, these institutions must enjoy some sort of autonomy and legitimacy because, within those institutions, nations will decide on their common future. It is obvious that in order to enjoy this level of legitimacy, people must feel they are represented in those bodies and must accept, in principle, to have a common destiny, for mutual benefits and in order to preserve themselves from common economic and political threats.

The neo-functionalists believe that integration is a continuous process, thus they study the favorable initial conditions allowing an integration movement to start. Therefore, when studying an integration effort in other parts of the world, for instance in Southeast Asia or the Asian continent as a whole, it may be useful to start by assessing whether similar conditions, to those in Western Europe at the beginning of the European integration movement, exist. If the common feeling for a shared future and legitimacy is lacking, the process may be blocked or encapsulated, the European Union's multiple institutional crises being good examples of these challenges. The progress and the success of the political integration depend on the success of the economic integration and the willingness of –supposedly rational– political elites in persuading their nations to move forward.¹¹ It is worth remembering that economic integration will undoubtedly be more successful in the case of already developed countries; while in Southeast Asia, or in Asia as a whole, one is talking also about developing countries which haven't yet resolved many of their underdevelopment-related problems.

The neo-functionalist theory is a dynamic and predictive model, which has been adapted and modified in different periods of the European integration. Its flexibility compared to other integration theories is the reason why it is a useful tool and a relevant method in assessing the burgeoning integration movements in other geographies.¹² Yet its application elsewhere remains problematic because of the important number of factors involved in the process.

In the post-Cold War period, the number of regional integration movements and cooperation initiatives has multiplied. The vast and vibrant Asian continent offers, in this context, possible cases for the studies of regional integra-



Indian and ASEAN officials conduct the ASEAN-India Ministerial Meeting at the 50th ASEAN regional security forum in Manila on August 6, 2017.
AFP PHOTO / ROLEX DELA PENA

tion. There already exists a promising and burgeoning- regional integration movement, namely the Association of South Asian Nations (ASEAN). Established in 1967 by Indonesia, Malaysia, the Philippines, Singapore and Thailand, ASEAN currently brings together all ten states of the Southeast Asia region, as the organization's membership has expanded to include Brunei, Cambodia, Laos, Myanmar and Vietnam. As a result, ASEAN brings together not only the Asian continent's several important economic and political players, but also some others who are still struggling with underdevelopment issues thereby pushing forward its integration. Therefore, this article will try to test whether the neo-functionalist model of integration, developed regarding the European integration context may be valid in Southeast Asia, too. The purpose is not to predict whether or not ASEAN will one day become a union like the EU, but to see what may be the conditions that will allow it to enhance its integration and whether India's contribution, in one way or another, may play a positive role in this process, despite their distant geographic location.

It is well known that ASEAN has two economic and political giants at its doorsteps, namely China, one of the two biggest economies in the world with the United States; and India, one of the most prominent countries amongst the emerging economies. In fact, India has been showing an interest in reinforcing ties with ASEAN since the 1990s, not only with its members individually, but also with the organization, as an entity. The rapprochement between these two players, ASEAN and India, has the potential to impact Asia's, and

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therefore, the entire international system's economic and political evolution. Consequently, this article is focusing on India and ASEAN, as the analysis will address the possible consequences of this rapprochement over the vast surrounding region.

In 1992 India, as part of its economic liberalization policy, launched in the first half of the 1990s in order to heal the effects of the financial crisis it was subjected to, decided to develop its relations with ASEAN. Diplomatic relations have been established between the two sides in this period. As for the European Union, the fact that ASEAN, as a regional body, has become a legitimate diplomatic interlocutor of nation-states is noteworthy.

India's interest to its economic environment was not limited to ASEAN, as New Delhi had diverging attempts toward its immediate neighbors, too –with contradictory outcomes. Because of huge economic disparities and complicated historical baggage, India's attempts for deepening economic and political relations with its neighbors are, from time to time, perceived as "expansionist" behavior, limiting its success. On the contrary, the rapprochement between India and ASEAN doesn't provoke the same perception amongst the players involved, even though India and ASEAN are far apart in terms of international relations, norms and practices. Nevertheless, some parallels may be drawn between the role the Soviet threat played at the beginning of the European integration under the Cold War conditions and the growing threat perception emanating from China's actions in South-East Asia, including the territorial conflicts in the South China Sea. Therefore, in order to balance China's growing presence in the region, India may appear as a counterbalance, or at best, a less threatening power, with which developing economic and political partnership would be less "risky."

There has not been any official indication from India or ASEAN to establish a structured regional integration between them, but their will to build a closer relationship is apparent. Nonetheless, this rapprochement and cooperation on economic ventures, is only in its beginnings. Even within ASEAN, political and economic integration and cohesion is not complete. Nevertheless, as the neo-functionalist model has been useful to explain the beginning of European

integration in a particular historical context, it may demonstrate if a similar process could emerge in the South Asia region, with ASEAN as its main player. It will also help to assess what role India can play in ASEAN's evolution, comparable with the U.S.' guarantor role over the European integration at its beginning, and what level of cooperation may be attained between India and ASEAN.

Opportunities Stimulating Rapprochement between India and ASEAN

The South Asian region is a subsystem of the international scene, with states having historical, geo-strategic and socio-cultural links with one another. In this vast region, sometimes described as Indo-Centric,¹³ India's importance is apparent in demographic and economic terms.

In the wake of the Cold War, as many other countries have also done, India has tried to redefine its role in the international system. Hence, successive Indian governments have tried to emphasize the role their country plays in the Asian continent, believing it is time they counted more in the international system.¹⁴ Any country willing to play an international role must first become a prominent player in its immediate environment. In this context, the Gujral Doctrine, adopted in 1996, announced a roadmap to build trust between India and South Asian nations and generate an atmosphere of understanding and cooperation between India and these countries.¹⁵ India's policymakers reluctantly embraced the Gujral Doctrine, and the latter has barely survived its architect's time of office. Yet India's interest for developing its ties with Southeast Asia has grown stronger since that time.

India had, in fact, ignored ASEAN during the Cold War, mostly because the latter had modest beginnings. However, ASEAN launched an enlargement movement in the 1990s and decided to deepen the existing cooperation in many areas during the 2000s, despite its members' distinctly differing foreign policies and diverging economic situations.¹⁶ The 1990s is also the period in which India "discovered" ASEAN, while trying to overcome the financial crisis that hit the country in 1991. Since then, successive Indian governments have sought for ways to improve trade with the members of ASEAN. In exchange, New Delhi has been declared a "sectoral dialogue partner" by ASEAN in 1992, following India's request for the establishment of a Regional Forum of ASEAN, a platform aiming to develop security cooperation. Especially after the 1997 Asian economic crisis, ASEAN members' and India's economies grew more interdependent, and they have decided to enhance their dialogue in economic and financial fields to avoid further crises.¹⁷ It should be noted that the implementation of economic liberalization policies in India and the implementation of the "Look East Policy," aiming at reinforcing ties with Southeast Asia, corre-

sponds to a time when an ascending China became a worrying factor in the region, on both economic and political terms.

Initiated in 1991 during the government of Prime Minister Narasimha Rao, the “Look East Policy” aimed at enhancing the economic and strategic relations of India with Southeast Asian countries. While seeking to expand regional markets for industrial development, trade and investments, India also developed its relations with Mekong-GANGA Cooperation and BIMSTEC. These efforts have met with some success, yet India still trails China in its volume of trade with the region.

ASEAN kept India apart while establishing the “ASEAN + 3” mechanism in 1997, that brings together the members of ASEAN with Asia’s three leading economies: China, South Korea and Japan. To launch a new dynamic of cooperation, India officially asked ASEAN in 2000 to be included in this mechanism, which was supposed to be re-baptized as “ASEAN + 4.”¹⁸ The members of ASEAN, however, decided to create a completely different mechanism, specific to India, called “ASEAN + India.” The first gathering of the mechanism took place in 2002.

The establishment of a specific mechanism for India demonstrates that the members of ASEAN do not consider India as simply another major economy in the region, but as an alternate partner. The mechanism produced its first tangible outcome in November 2004 with the conclusion of the Partnership for Peace, Progress and a Common Prosperity Agreement.¹⁹ Similarly, the mechanism was used to start negotiations on the creation of a Free Trade Area between India and ASEAN, in October 2003. The final agreement on the matter was concluded in 2009 and the ASEAN-India Free Trade Area (AIFTA) came into effect in January 2010.²⁰ AIFTA is the result of acknowledging that the trade volume between India and ASEAN has grown considerably since 1992.²¹ Recognizing the economic potential of closer links, both sides have agreed on the necessity of deepening trade and investment ties. The ASEAN-India Free Trade Area represents one of the World’s largest free trade agreements, a market of almost 1.8 billion people with a combined GDP of \$2.8 trillion. The AIFTA includes tariff liberalization of over 90 percent of products between the two sides, which means tariffs on over four thousand products have been eliminated.²²

The two-way trade between India and ASEAN stood at up to \$100 billion in 2016, while it was around \$3 billion in 1993, \$12 billion in 2003, \$48 billion in 2008 and \$80 billion in 2012. The two sides predict reaching a volume of \$200



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billion by 2020.²³ As for Foreign Direct Investment (FDI), ASEAN accounts for approximately 12.5 per cent of investment flows into India since 2000. FDI inflows into India from ASEAN between 2000 and 2016 were about \$50 billion, while FDI outflow to ASEAN countries between 2007 and 2016 was about \$39 billion.²⁴

With their developed economies, playing a significant role in international economic and financial relations, India and ASEAN are developing closer economic ties with every passing year. The neo-functionalist perspective suggests that sectoral integration may ultimately boost a spill-over effect, which will in turn call for more integration. In the case of India and ASEAN, rapprochement in one economic sector creates strong incentives for rapprochement in further sectors.²⁵ Besides, in order to develop common economic ties with India and create economies of scale, ASEAN countries may boost their integration efforts in some economic sectors. In other words, the increasing number of transactions and intensity of economic relations may offer an additional opportunity for regional integration within ASEAN. The developing institutional ties with India may eventually encourage ASEAN to reinforce its institutions to work progressively without reference to local governments. Each decision to push forward the integration and create new institutions aiming at managing the process, necessitates political determination and decision among the members of ASEAN.²⁶ The point is, once the integration is achieved in each area, the spill-over effect may come into the picture, spreading the integration towards completely different areas.

Economic relations between India and ASEAN are constantly spreading to other sectors and technical areas are progressively included in a wider cooperation. As the cooperation deepens, exactly as the neo-functionalist approach suggests it will, whether or not India and ASEAN will need to develop specific structures to manage their relationship remains to be seen.

India and ASEAN have limited sectors and areas in which they cooperate, and they have started their cooperation with purely commercial and technical initiatives. As an example, the growing economic interdependence between ASEAN and India has encouraged them to work on enhancing private sector engagement. In this context, the ASEAN-India Business Council (AIBC) was activated. The AIBC has opened the way for the organization of a number of ASEAN-India Business Summits (AIBS) and ASEAN-India Business Fair (AIBF).²⁷

Moreover, ASEAN Transport Ministers (ATM) meetings take place each year and in the 2008 summit held in Makati, Philippines, the participants adopted the ASEAN-India Aviation Cooperation Framework, which laid the foundation for closer aviation co-operation between ASEAN and India. In line with this engagement, the ASEAN-India Air Transport Agreement (AI-ATA) was implemented in 2011.²⁸

As these examples show, each cooperation effort between ASEAN and India is bringing new cooperation initiatives in divergent domains which in turn have the potential to deepen, progressively creating a positive cycle of rapprochement. Moreover, the coming into force of the ASEAN-India Free Trade Agreement in 2015 demonstrates that India and ASEAN have already started to implement supranational market rules that are progressively replacing national regulatory regimes. The need for more supranational rules may also become a good incentive for ASEAN to push forward its own integration, India once more playing an encouraging factor.

In the light of this developing cooperation scheme, those involved may need a higher level of common decision making processes and policy coordination platforms, pushing the ASEAN integration movement even further. The pooling of interests across national borders are initially restricted to economic and technical matters only. It is expected that once economic integration is successfully achieved, other fields would follow automatically through the spill-over effect. That's why, India's will to develop joint activities with ASEAN as an entity is noteworthy. Neo-functionalism supposes that the nature of the liberal economy will inevitably encourage states to develop further cooperation in sectors other than the initial cooperation sector. In Europe, for example, the integration of the coal and steel sectors has brought about integration in agriculture, transport, fishing and finances with time. In other words, states in an integration movement will progressively adopt coordinated and collective attitudes. India's will to deepen its ties with ASEAN may thus encourage the latter's members to improve their integration movement in areas that India is interested.

In November 2014, during the ASEAN Summit, India's new Prime Minister Narendra Modi announced that he has decided to implement the "Act East Policy" to replace the "Look East Policy." As the change of name suggests, India accepted the need for a more action-based policy with the region lying to India's East. Still, the Act East Policy lacks substance and concrete actions and investments are still weak, compared to China's actions in the region. Nevertheless, the fast-growing ASEAN is indeed a strategically important partner for India.

The fact that India and some countries of ASEAN have comparable economic development levels makes it easier for the economic agents to develop common initiatives of cooperation. According to neo-functionalism, the determination

A rules-based and norms-based regional bureaucratic structure is not yet complete within ASEAN, a fact that constitutes a setback for regional integration from a neo-functionalist perspective

to establish a common market will bring the need to develop common structures and economic interdependence between nations and that will push the involved states toward institutional and social interdependent relations. This doesn't mean, however, that ASEAN will become a full-fledged economic and political union and will deterministically end up with more cooperation with

India. Yet, the ever developing partnerships between India and ASEAN makes the former as an alternate power, or a regional pole, capable of challenging China's tremendous economic weight in the region, even though India lacks system-shaping capabilities. Southeast Asia needs to deepen its integration, and India can help by enhancing cooperation with it; growing economic interdependence multiplying the benefits of such an integration.

Despite the existing opportunities and the positive picture of growing economic interdependence, the organizational capacity, and the spill-over that can be observed in a number of areas, there exist also a number of points noteworthy, inciting one to think once more about the future of regional integration in Southeast Asia and India's burgeoning special relationship with ASEAN.

The Obstacles of Deepening Cooperation between India and ASEAN

Despite the opportunities that can be observed in the relations between India and ASEAN, several challenges may equally be found, which can be assessed as set-backs to any further cooperation attempt between these two sides. First, ASEAN has to overcome the challenges slowing down its integration process.

The neo-functionalist approach claims that national governments engaged in an integration movement will end-up conceding more and more authority to the regional organizations they have created. Similarly, citizens of these nation-states are expected to progressively shift their expectations to these organizational structures rather their own national governments.²⁹ This is supposed to lead to the creation of institutions that work without reference to "local" governments.

Neo-functionalist thinking claims that during the integration process, interest groups and diverging social segments will transfer their allegiances away from national institutions toward supranational bodies. They are supposed to do so, because citizens realize that these newly formed institutions will offer a better



The handout shows the ASEAN Secretariat building in Jakarta, Indonesia.

ASEAN SECRETARIAT

platform through which they may pursue their material interests.³⁰ During the integration process, higher levels of decision making processes are needed, in turn causing the integration to advance further, developing its own pace.

This is what the neo-functionalism calls “technocratic automaticity,”³¹ a process within which the institutions become more powerful and more autonomous from the member states. This is only logical, as it has been stated before, as much as the integration advances, technical relations spread to other sectors and many more areas are included to the cooperation. Integration is a process by which states would voluntarily give up certain sovereign powers. Neo-functionalism thus stresses the specific role of supranational organizations with their own power and jurisdictions.

From this perspective, ASEAN has a long way to go, and consequently so do the institutional relations between India and ASEAN. It is true that ASEAN leaders adopted a document called ASEAN 2020³² back in 1997, in the hope of strengthening the foundation of a community of nations in South-east Asia. India has been included in the targets of ASEAN 2020 through the “Plan of Action to Implement the ASEAN-Indian Partnership for Peace, Progress and Shared Prosperity 2016-2020” in 2015.³³ In this document, the two sides agreed to push forward their cooperation through existing regional mechanisms.

These mechanisms include regular East Asia Summits, ASEAN Post Ministerial Conference with India, ASEAN Regional Forum, ASEAN Defense

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Ministers Meeting Plus One, ASEAN-India Senior Officials' Meeting, ASEAN-India Joint Cooperation Committee. One cannot say, however, that these platforms are independent or autonomous enough to claim that they will trigger any technocratic automaticity. These are rather loose inter-governmental cooperation and consultation forums, which are certainly allowing the two sides to get progressively

closer. Nevertheless, one cannot observe a technocratic structure that would autonomously push forward their rapprochement, a technocratic ability that would also facilitate ASEAN's own integration process, according to neo-functional theory.

Some of the major obstacles of the rapprochement between India and ASEAN are the result of this deficiency, making it harder to achieve the harmonization of rules and procedures across ASEAN, the modernization of trade compliance systems, product standards, simplification of custom and borders regulation and so on.³⁴

Within ASEAN, the organizational capacity is often criticized despite a number of official documents that announce the ambition to develop the organizational capacity, creating a bureaucratic architecture capable of carrying the integration initiative further. Yet a rules-based and norms-based regional bureaucratic structure is not yet complete within ASEAN, a fact that constitutes a setback for regional integration from a neo-functionalist perspective. The existing or lacking supranational institutions and their capacity problems are thus a major obstacle to put in place a regional integration in Southeast Asia.

Citizens who are supposed to transfer their loyalties from the national governments toward the regional organization are not easily found, either. According to perception analyses conducted among the citizens of ASEAN about the Southeast Asia's regional structures, it is hard to find evidence that the level of acceptance of ASEAN by involved people is satisfactory.³⁵ Therefore, it wouldn't be erroneous to say that ASEAN lacks one of the fundamental components of the European integration's success: the involvement of the general public. In a survey carried out by the ASEAN Foundation titled "Attitudes and Awareness toward ASEAN: Findings of a Ten Nation Survey,"³⁶ the majority of the respondents said that if ASEAN did not exist, it would make no difference in their lives. The thin public connectivity to ASEAN, even in

its core members, has been demonstrated by many surveys conducted on the matter.³⁷

In this context, it is obvious that if ASEAN itself maintains its objective, as stipulated in official declarations published in ASEAN summits, to enhance the integration, it should start by finding ways to involve its citizens into this process. This is equally necessary for Indian decision-makers in their country. Only through this, will citizens in ASEAN countries start transferring their loyalty toward the regional integration organization and only then a credible and legitimate integration movement will be able to discuss, as an integrated entity with India or with any third partner country, the ways to enhance their cooperation.

Similarly, despite the positive mutual perceptions between India and ASEAN, it is not yet possible to claim that people on both sides consider their rapprochement, or any further effort that would involve both parties, as indispensable for peace and shared prosperity in the wider region.

The third major challenge for regional integration initiatives in Southeast Asia is the high level of political and socio-cultural diversity among ASEAN countries. With diverging political regimes and ideologies, it becomes hard for ASEAN countries to define in the same manner the national or common interests and challenges that they have to face. This lack of political harmony may also become a set-back in pushing forward the cooperation between ASEAN and India. The latter, with a parliamentary and pluralistic democratic regime,³⁸ has little in common with authoritarian regimes such as those in Myanmar and Cambodia or one-party states like Vietnam. The only country in Southeast Asia that one can describe as a pluralistic democracy is Indonesia, while democracy is also improving in Malaysia, Thailand and Singapore. Hence, the disparities of political regimes and diverging levels of freedom in those countries don't offer fertile ground for the development of common values.

In the lack of shared and tangible values, any effort of rapprochement and eventually regional integration would need to find a framework in which nation-states may involve both political elites and their people in the process. In fact, both parties, ASEAN and India, are aware of this fact, and they are planning to develop mechanisms that would underline common values, which are expected to trigger further rapprochement between all involved countries.³⁹

India's cooperation with ASEAN has been, until now, essentially on economic terms, and the country seems willing to further develop these ties. Therefore, the challenges described above need to be addressed before achieving a consolidated South Asian Community, and more effort is thus needed to develop synergies for shared prosperity and mutual benefit in the region.

Conclusion

2017 marks the completion of 25 years of official relations between India and ASEAN, which have come a long way since their beginning in the wake of the Cold War. The interaction between them is intensifying incessantly, despite setbacks and deficiencies. Moreover, there exists the will among the political elite to pursue and improve cooperation in economic, as well as at political levels. After all, the partnership between India and ASEAN has progressed from a sectoral dialogue partnership to one with frequent interaction during the last decade. With the ASEAN-India Free Trade Area in place, there is ample potential for cooperation to be strengthened and stepped up to a new level.

It is clear that India has the intention to get closer to ASEAN with every passing year, and this rapprochement may encourage the members of ASEAN to integrate the Southeast Asian region into one consolidated regional bloc. China's growing influence in the region being another stimulating factor, as the Soviet Union was for Western Europe in the wake of the Second World War.

It is not a coincidence that the "Look East Policy" of the 1990s was re-baptized as "Act East Policy" in 2014, as the Indian government made its relations with ASEAN a priority, emphasizing a more proactive role for India in this region marked by China's ascension. This change reflects India's tangible desire to have a greater impact in the region.

India considers that the rapprochement with ASEAN would benefit all countries involved. Even though ASEAN is not (yet) a monolithic bloc, and much less integrated than the EU, which is also still struggling to get a solid and credible common foreign policy. Yet, within an integration movement, especially during its beginnings and development, all member countries cannot act as one. The purpose of an integration movement is to harmonize the participants' foreign policies rather than unifying them suddenly and completely. Hence, the fact that ASEAN countries have diverging foreign policies and tension within them, as has been demonstrated by recent developments in Myanmar, is an obstacle for broader regional integration. However, as long as the will to push forward the integration movement exists, harmonization will follow.

Similarly, ASEAN countries are aware that India possesses large strategic capabilities and can become a stabilizing force in South Asia. India, with its population of 1.3 billion and a rising middle class, is a significant market for ASEAN manufacturers and an important source of welfare for the entire region. In exchange, ASEAN's strategic location makes the region's stability crucial for India's energy and economic security. It is for these reasons that New Delhi is looking forward to developing its ties with ASEAN, encouraging integration in Southeast Asia.

In brief, the India-ASEAN relations have great potential for further rapprochement, and it may become a factor comforting ASEAN in its will to deepen its integration. However, the will alone may not always be enough to overcome the challenges and turn those into opportunities.

As regional integration studies consider European integration as the most advanced example in this domain, one has also to remember the specific conditions that allowed European integration to start in the first place. Moreover, since its beginning, every major change in the European integration process has been related to major changes in the international system. Emerging in the wake of the Second World War, in 1950s Europe, at a time when the continent was divided between the communist pro-Soviet Eastern Bloc and liberal pro-U.S. Western Bloc, one of the European integration's main motives was to prevent a renewed war between Western European nations. That is why peace has always been a major motivation keeping the integration movement moving. Additionally, the omnipresent Soviet threat and the undeniable existence of a U.S. security umbrella, concretized by NATO, have played a considerable role in European integration history. Therefore, the experience of European integration cannot be fully understood without evoking this systemic factor.

Despite the lack of existence of any security and defense structure comparable to NATO in South Asia, common concerns about the growing influence of China is palpable. This is true not only for India, the only Asian nation that could counterweigh China one day, given its demographic and economic potential, but also for Southeast Asian countries. Furthermore, it is common knowledge that Southeast Asia has always been under the influence of both China and India, as the colonial era geographical name of the region demonstrates: Indochina, physically bound by India in the West and by China in the North. Hence, analyzing the future of the relations between India and ASEAN and the prospects of regional integration in South Asia cannot be done without mentioning its consequences for China.

China's growing economic and military power has drastically altered the balance of power in the Asian continent. Consequently, one of the considerations of ASEAN while giving a greater status to India was the issue of China's rising power profile and especially its naval and territorial claims in the South China Sea. With the prospects of an eventual U.S. retreat from the South and



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14TH ASEAN-INDIA SUMMIT

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Indian and ASEAN state representatives pose for a picture during the 14th ASEAN-India Summit in Vientiane on September 8, 2016.

AFP PHOTO / NOEL CELIS

East Asia, as the 45th President of the United States Donald J. Trump suggested during his electoral campaign, Asian countries may tend toward increasing their guard against Chinese influence and the North Korean nuclear threat by developing solidarity amongst themselves.

India, which possesses the largest naval force in the Indian Ocean and which has nuclear military capabilities, is the natural candidate for balancing China in the region. Indeed, India possesses the ability to deploy substantial influence and power in South Asia, and contrary to India's immediate neighbors, ASEAN countries don't perceive India as a threat. The latter has never been attributed with any hegemonic design targeting Southeast Asia, which is quite reassuring for the countries of the region. Instead, there are growing concerns that India shall face fierce competition from China and a bilateral conflict between them in the future is not impossible.

In this context, a rapprochement between India and ASEAN, and the regional integration process of the latter, may be considered as necessary for vital interests of the region's nations to face the huge challenge created by the growing influence of China in the international system. The old saying, "united we stand, divided we fall" may easily become a motto and a motivation for South East Asian countries to improve their integration strategy for the near future and deepen their common ties with India.

Thus, the growing threat perception from China may encourage people of ASEAN and India to get closer by uniting their economic capacities making them weightier in the international political scene. The development of existing ties may trigger a spill-over effect to complete the already improving economic cooperation and, in the future, may even lead to a desire of economic and political integration. In fact, only once integration is complete in Southeast Asia, can India, a potential integration partner, come into the picture.

A rapprochement between India and ASEAN, and the regional integration process of the latter, may be considered as necessary for vital interests of the region's nations to face the huge challenge created by the growing influence of China in the international system

The potential for such integration exists and from a neo-functionalist perception, a number of criteria that are necessary to engage in such an integration movement are at hand. Yet the challenges mentioned above also exist and any commentary turning a blind eye to these challenges will constitute no more than wishful thinking. Should India persevere in implementing its “Act East Policy,” whose purpose is to cultivate extensive economic and strategic relations with the nations of Southeast Asia to improve its position as a regional power, it must take some steps, in cooperation with ASEAN nations, to make India-ASEAN relations a geopolitical feature:

1. The priority must not be political or military rapprochement, but the development of joint activities by economic agents to push forward economic cooperation and integration, and to narrow the gap of economic development between involved parties, primarily among ASEAN members;
2. The establishment of sufficiently autonomous and robust supranational bodies under the influence of transnational technocrats to allow involved nations to shift their loyalties, expectations and political activities towards a new and larger center, whose institutions pose or demand jurisdiction over the pre-existing national states. Centralized institutions and their common policies are the best tools to push forward integration;
3. As economic interdependence between nations encourages the states for more institutional and social interdependence, involved countries must put in place mechanisms of public diplomacy to make the integration idea an attractive perspective for peoples; and to strengthen people to people connections. Any rapprochement effort without popular involvement is condemned to remain a classical intergovernmental cooperation, and not an economic and eventually political integration;
4. Development and/or emphasizing common values between political and economic elites, improvement of pluralism in involved societies and their adaptation capacities is also a must. The existence of a common identity and ideology that would bring divergent players together is the most solid basis for any rapprochement.

The neo-functionalist approach may seem quite deterministic when it suggests that if certain conditions are met, nations are bound to enter an integration process with the help of the spill-over mechanism. However, none of

the neo-functionalism authors have detailed precisely what the final and most accomplished form of integration might be. In other words, neo-functionalism predicts an open-ended process, where integration is what states make of it. Moreover, according to neo-functionalism, economic and political integration has a supplementary global objective, as well: a player which would otherwise remain isolated or weak in the absence of economic and political integration may turn into an active and noteworthy player of the international system while inside the integration movement. Ultimately the integration movement itself becomes a new player of the international system which is the biggest motivation for Southeast Asian countries and India in the face of geopolitical challenges appearing on the horizon. ■

Endnotes

1. This article has been written within the framework of the scientific research project (code: 14.101.001) of Galatasaray University and as the result of the papers presented in the 23rd IPSA World Congress.
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16. ASEAN (Association of Southeast Asian Nations) is composed of Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. It is a regional organization which promotes intergovernmental cooperation and facilitates economic integration among its members. Its principal objective is to develop economic growth, social progress, and socio-cultural evolution, protection of regional stability and resolution of disputes by peaceful means. It has significant economic power, as if ASEAN was a single entity, it would become the sixth biggest economy in the world. In 1992, ASEAN countries have put in place the ASEAN Free Trade Area, which has turned into a common market in 2015, with the creation of ASEAN Economic Community. See [http://asean.org/images/2013/factsheet/2013%20\(6.%20Jun\)%20-%20AEC.pdf](http://asean.org/images/2013/factsheet/2013%20(6.%20Jun)%20-%20AEC.pdf).
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DAESH's Drone Strategy: Technology and the Rise of Innovative Terrorism

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"Innovative terrorism" can be described as the introduction of a new method or the development of an existing technology by terror organizations. Considering the changing traits of terrorism and the resources owned by terror organizations today, its character and patterns of using innovative terrorism make DAESH the most dangerous organization threatening regional and international stability.

This report analyzes the extent of the use of drone technology by terror organizations, and makes recommendations regarding how to remove this new threat.