

**INCLUSIVE REGIONALIZATION AND SUSTAINABLE DEVELOPMENT: CASE
STUDY OF ASEAN AGREEMENT ON TRANSBOUNDARY HAZE POLLUTION**

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Abstract

There is a problem of conceptualization of sustainable development within the inclusive regionalization discourse. Using the case of ASEAN Agreement on Transboundary Haze Pollution, this article wants to see the relationship of sustainable development in the context of inclusive regionalization in ASEAN. This article has two important findings. First, the presence of Roundtable Sustainable Palm Oil (RSPO) and Forest Stewardship Council (FSC) empowered the discourse of sustainable development within inclusive regionalization and partnership with RSPO and FSC is an important element for implementing sustainable development in the regional organization. Second, synergy between states, market and society will close the democratic deficit of international organization.

Key words: inclusive regionalization, sustainable development, ASEAN Agreement on Transboundary Haze Pollution, RSPO, FSC

Abstrak

Terdapat pertanyaan mengenai konseptualisasi pembangunan berkelanjutan dalam regionalisasi inklusif. Dengan menggunakan studi kasus ASEAN Agreement on Transboundary Haze Pollution (AATHP), artikel ini membahas mengenai korelasi antara pembangunan berkelanjutan dan regionalisasi inklusif. Artikel ini memiliki dua kesimpulan. Pertama,

kemunculan Roundtable Sustainable Palm Oil (RSPO) dan Forest Stewardship Council (FSC) memperkuat peran pembangunan berkelanjutan dalam konsep regionalisasi inklusif dan kemitraan dengan RSPO dan FSC adalah elemen penting dalam implementasi pembangunan berkelanjutan di organisasi regional. Kedua, sinergi antara negara, pasar dan masyarakat dapat memperbaiki defisit demokrasi yang terjadi dalam organisasi internasional.

Kata kunci: regionalisasi inklusif, pembangunan berkelanjutan, AATHP, RSPO, FSC

Introduction

I would like to discuss the complexity of regional environmental governance. John Balsiger and Stacy D. VanDeveer (2010) argues that the urgency of regional environmental governance is increasingly inevitable. According to Balsiger and VanDeveer, we need three steps to build regional environmental cooperation, namely, building the mechanism to overcome environmental problems, multilateral policy making and review of the implementation. In similar tone, Lian and Robinson (2002) is optimistic on the presence of regional environmental governance using the case study of ASEAN. Lian and Robinson (2002) shows on how the concept of ASEAN Way able to facilitate environmental protection in Southeast Asia and the sovereignty of member states.

The critics toward ASEAN environmental policies is that ASEAN is not considered as an effective body to solve regional environmental problems due to lack of human and financial resources. In the case of ratification of ASEAN Agreement on Transboundary Haze Pollution, Nguitrugool (2011) found that the regional environmental governance is perceived as threat to local authority in the context of resource exploitation. Varkkey (2011) also argues that European

Union's mechanism of haze prevention is more effective than ASEAN haze mitigation programme due to the gap of thick and thin community. The thick community has more capability in implementing regional environmental policies with adequate support of funding and human resource.

Nathan Badenoch(2002) used the case study of Yali Dam incident to highlight the lack of channels for direct communication between and among local communities, sub-national governments and regional organizations. The sudden surge of water from Vietnam's Yali Falls Dam in 2001 has caused severe damage to local fishermen and farmers in Cambodia's Ratanakiri Province. This disaster was an indicator of larger problem of transparency in decision-making.

This article wanted to critically evaluate the concept of region. State-centric international organization has been deemed inconsistent with the map of ecosystem and animal habitat. I will use the new regionalism theory advised by BjörnHettne and Fredrick Söderbaum. Hettne and Söderbaum explained the NRT:

“It is conventionally held that a region minimally refers to a limited number of states linked together by a geographical relationship and by a degree of mutual interdependence. However, in an effort to transcend state-centrism and the fixation on regional organisations rather than the processes of regionalisation, the NRT does not view regions as simple aggregations of ‘states’, and the regional frontier may very well cut through a particular state's territory, positioning some parts of the state within the emerging region and others outside. For instance, it could be argued that some parts of China, mainly the coastal areas, form part of an East Asian regionalisation process while mainland China does not (Hettne and Soderbaum 2000, 459)”

This new definition of region is important to highlight the contradiction between the actual policies of member states and the scale of environmental problems. Many environmental problems emerged from a local community and impacted to other communities in different nations. The separation of Earth into nation states has been criticized for ineffectiveness in handling transboundary environmental problems. An environmental problem of a community is

not seen as problem for other community in other nations. For example, forest fires in Indonesia has created transboundary haze harming the health and the economy of Singapore and Malaysia. However, the handling of forest fires are limited to Indonesian political system and solution become state-centric. NRT become a solution to break the state-centric mode of regional environmental governance.

ASEAN

Over five decades, ASEAN has developed into a multi-dimensional organization positioned as pivotal in many critical regional economic, political and socio-cultural problems. ASEAN was founded in 8 August 1967 and the founder were Indonesia, Thailand, Malaysia, Singapore and the Philippine. In the period of 1995-1999, ASEAN was expanded to Vietnam, Brunei Darussalam, Myanmar, Laos and Cambodia. ASEAN has different political system from democratic system of Indonesia and the Philippine to the autocratic system of Myanmar and Brunei Darussalam. The biggest economy is Indonesia however the highest income per capita is Singapore. There is increasing gap of national income between new member states with the five ASEAN founder. All member states embraced the open capitalist system with the adoption of ASEAN Economic Community.

Financial crisis in 1997 has transformed ASEAN. Devaluation of Baht has sparked massive outflow of foreign currency. Thai's financial crisis spread to other countries such as Indonesia and Malaysia. Indonesian President Suharto was toppled down after the turmoil in Jakarta pushed Suharto to end his 32 years of presidency. According to Gerard(2014), the roots of the crisis lie in the trends of corruption of political elites where deregulation and privatization policies directed toward integrating Southeast Asian economies into the closely-affiliated

patronage networks. Political oligarchs and corruption has failed the trickle-down effect and the Southeast Asia boom economy growth didn't spread the wealth evenly.

Southeast Asia Financial crisis has created an awareness of the importance of region. A local problem can transcend its impact to other community in other country. 1997's Southeast Asia fiasco also sparked the involvement of corporation and civil society in the ASEAN and national decision-making. ASEAN Socio-Cultural Community is an application of the regional approach to regional problems and inclusive involvement of non-state actors such as corporation and civil society. Not only using region as main concept, ASEAN Socio-Cultural Community is a melting pot of states, market and society.

Inclusive Regionalization

The concept of inclusive regionalization is pioneered by Robertua et.al (2017)to address the discrepancy of state and non-state actor. Inclusive regionalization attempted to break the exclusiveness of international organization to high-politics issue. Regional organizations should reform its agenda by prioritizing the marginalized community and unspoken issues into the implementation to ensure the relevancy of regional organization for ordinary society. The context of inclusive regionalization is the emergence of ultra-nationalist parties advising for the elimination of international organization. In the case of Brexit, for example, European Union is accused as the invisible hand for big corporation exploiting the poor and women for the sake of profit.

This article would apply the inclusive regionalization into the case of transboundary haze issue in Southeast Asia. Forest fires and transboundary haze has become the perpetual disaster for Indonesia, Malaysia and Singapore. James Schweithelm and David Glover has conducted

research on the cost and victim of Indonesia's fires and haze. Schweithelm and Glover(1999) concluded that shifting agriculture, El Niño, timber concession, and tree plantation has caused the fires. Companies are for deliberately setting the fires and exacerbated by the drought condition of El Niño. Schweithelm and Glover (1999, p. 7-8) noted "plantation firms and land clearance contractors they hire use fire almost exclusively for land clearance. The exploiters and the exploited use fire as a weapon against each other."Bram (2012)further argues that slash-and-burn method is much cheaper than zero burning method. It's not surprising then to find that slash-and-burn method is popular for local communities.

In 2008 International environmental activist Greenpeace launched the investigation mentioning that the burned forest is the palm oil concession area. Palm oil industry is one of leading cause for land clearance using fires. Between 1991 and 2006, almost 5 million hectares of new palm oil concession areas have been established in Indonesia alone (Greenpeace 2008). Provincial governments are even more aggressive in terms of palm oil expansion, planning for 20 million hectares (Greenpeace 2007). Palm oil industry is crucial for Indonesian economy especially in the rural areas of Sumatra and Kalimantan. Greenpeace called for European consumer stopping consume daily products from large companies which are responsible for implementing slash-and-burn method.

The rivalry between companies and environmental activist was transformed into cooperation mode in the establishment of Roundtable Sustainable Palm Oil (RSPO) and Forest Stewardship Council (FSC). RSPO was established in 2004 and Forest Stewardship Council was established in 1993. Both organizations aimed to promote responsible management of world's forest and sustainable plantation products through credible standards and monitoring system. The core idea of RSPO and FSCC is to integrate the basic necessity of human lives and the protection of nature

and ecosystem(Nikoloyuk, Burns and Man 2010). It is in line with the concept of sustainable development that is defined as development that meets of the need of current generation without compromising the future generation. RSPO and FSC attempted to break the dilemma of expansion of economic growth without sacrificing long-term economic and environmental interest.

Sustainable Development and Inclusive Regionalization

Inclusive regionalization is consists of several concepts such as human rights, sustainable development and gender equality. ASEAN Agreement on Transboundary Haze Pollution (AATHP) is a case of the implementation of sustainable development in inclusive regionalization. The characteristic of sustainable development is a middle way between anthropocentric approach and ecocentric approach. Baker et al.(1997)developed the weak sustainable development which consists of several indicators such as market reliant environmental policy, changes in patterns of consumption, replacing finite resources with capital, exploitation of renewable resources, mixed of labor and capital intensive technology, and limited range of market-led policy tools. This weak sustainable development is used in the construction of AATHP and inclusive regionalization.

As mentioned earlier, sustainable development is a middle way of the debate between realists and radicals. Realists prefers exponential growth and radicals means revolutionary changes in patterns of production and consumption (Laferrière and Stoett 1999). For the advocate of sustainable development, global environmental crisis can be prevented with enhancement of regimes and global institution capacity (Clapp and Dauvergne 2005). In this sense, globalization is seen as tool to enhance opportunities for cooperation and promoting global institution and

norms that able to manage the global environment. The cooperation between state, market and civil society is prerequisite for effective distribution of technology and funds to developing countries.

In the case of forest fires and transboundary haze, AATHP advised for ASEAN Center Coordinating Center for Transboundary Haze Pollution Control and ASEAN Coordinating Center for Humanitarian Assistance on Disaster Management (AHA Center), zero-burning method, joint emergency response and ASEAN Transboundary Haze Pollution Control Fund. However, AATHP didn't mention the involvement of eco-labelling schemes as prevention strategy of forest fires. This article urged ASEAN to develop comprehensive cooperation between ASEAN and eco-labelling schemes such as RSPO and FSC.

AATHP can be seen as possible threat to national sovereignty and to local communities (Nguitrugool 2014, Nguitrugool 2011). Sovereignty is still the sensitive issue for member states and the joint collaboration between ASEAN and eco-labelling schemes would be possible solution to prevent the fear of erosion of national sovereignty. It is also important to note that the credibility of AATHP can be enhanced by involving key experts in environmental diplomacy. Nguitrugool (2011, 353) researched that the 14-year-delay of Indonesian ratification of AATHP is due to lack of support from epistemic community such as Emil Salim or Daniel Muridiyarso. Meanwhile, RSPO and FSC are developing advanced forestry standard with full involvement of experts and scientists. ASEAN's cooperation with these organization can boost ASEAN credibility in regional environmental governance.

ASEAN's partnership with eco-labelling schemes would fill the governance deficit which is considered as barrier for effective implementation of multilateral institution. State-centric international organizations faced a dilemma of increasing demand for transparency and fair

access within multilateral decision-making. Democratic deficit was a phenomena of lack of accountability of political decisions due to lack of dialogue and consultation with relevant stakeholders. People have to endure the policies and programs crafted by illegitimate authority. Even though international organizations have legal and diplomatic legitimacy from member states, it doesn't necessarily international organization received trust and social legitimacy from citizens and individuals.

The strength of RSPO and FSC is the notion of governance from below(Backstrand 2006). They advised that more participation by affected groups will generate more effective solutions. In other words, international organizations have to involve systematically diverse range of voices and perspectives and create ownership of outcomes. The focus is to protect the vulnerable and the marginalized groups and empowered them to be the key actors solving the environmental crisis. Inclusive regionalization deals not only with non-conventional issues such as climate change and biodiversity but also empowerment of marginalized and vulnerable communities.

The participation of markets and civil society then is crucial for state-centric international organization. In the case of forest fires and transboundary haze, inclusive regionalization means that states engaged constantly with civil society, corporation and affected communities in formulating and evaluating the implementation of AATHP. Zero-burning method, for example, should be promoted as the guidelines for sustainable agricultures and flexible to the dynamic of local wisdom in rural communities in Indonesia. There are huge transformation of global civil society from confrontation approach to insider approach as shown by WWF International, RSPO, FSC and Nature Conservancy. This is an opportunities to be tapped by ASEAN.

Conclusion and Recommendation

Handling forest fires and haze in ASEAN framework indicated a debate of pessimists and optimists voices. In the perspective of pessimist, regionalization means the end of nation states and increasing marginalization of the vulnerable and marginalized groups. The world will be dominated by greedy giant corporation exploiting the forest, the poor and natural resources. Forest fires is an example on how transnational palm oil corporation applied its race-to-the-bottom approach by using fires as cheap ways of clearing forest and land.

This article supports the optimists view by highlighting the possibility of cooperation between ASEAN, RSPO and FSC. ASEAN should work together with eco-labelling schemes for palm oil and timber products such as RSPO and FSC in order to address the role of market that is the cause of the forest fires in Indonesia and deforestation throughout the region. This cooperation would empower citizens and individuals to make informed decisions and would help to deter the illegal process of setting fires to clear the land.

For International Relation scholars, the concept of inclusive regionalization can be elaborated into two important characteristics. First, inclusive regionalization would enable low-politics issues such as sustainable development raised in the high-level negotiation forum and meeting. Second, inclusive regionalization aimed to increase the social legitimacy of international organization by closing the governance gaps between states, corporation and society. The rivalry interaction between states, corporation and society can be transformed into fruitful cooperation achieving normative issues such as social justice and environmental protection. Despite the realists believed that the structure of International Relations was anarchy, yet it gave adequate space and rooms for cooperation and achievement of normative movement.