

# ASEAN BULLETIN

ISSUE 8 | JANUARY 2026

From the CAG Team

## New Year, Same Problems: Navigating ASEAN's Path Through Global Instability

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Photo credit: Presidential Communications  
Office, Office of the President of Philippines

Within the first two weeks into 2026, global headlines were dominated by a series of geopolitical flashpoints that underscored an increasingly fraught global environment. The United States launched a major military operation in Venezuela, resulting in the capture of President Nicolas Maduro and his wife. This move drew widespread criticism as a violation of national sovereignty and international law. At the same time, President Trump announced the withdrawal from thirty-one UN bodies and international frameworks, including the Intergovernmental Panel on Climate Change (IPCC), a key climate institution historically linked to global climate negotiations, signaling a further retreat from multilateral and global cooperation.

The *ASEAN Bulletin* is published quarterly by the Centre on Asia and Globalisation at the National University of Singapore's Lee Kuan Yew School of Public Policy. It seeks to bring together a key summary of current news articles, reports, events, and academic publications produced in English on the three pillars of the ASEAN Community - the ASEAN Political-Security Community (APSC), the ASEAN Economic Community (AEC), and the ASEAN Socio-Cultural Community (ASCC).

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Meanwhile, China-Japan relations continue to deteriorate, with new restrictions on Chinese exports, particularly for rare earth minerals that are critical to high-tech supply chains amidst ongoing political disputes.

Closer to home, relations between Cambodia and Thailand continue to show signs of tension from Cambodia's withdrawal of its athletes from the Southeast Asia Games hosted by Thailand in late 2025, to the Thai side accusing Cambodia of violating the recent ceasefire agreement by distorting facts surrounding the disputed historical sites and making comments about Thailand's domestic elections. Lingering tensions between the two ASEAN nations continue to strain regional cohesion amid an increasingly volatile environment. In Myanmar, the military junta had recently conducted "sham" elections, glossing over low turnout and the lack of political opposition. These elections highlight how the entrenched political crisis will "continue to be ruled by fear and intimidation," further isolating Myanmar and worsening the humanitarian and security concerns in the country. As the perilous situation in Myanmar drags onto its fifth year, it has glaringly continued to highlight how ASEAN has remained limited in its capability to manage internal conflicts and regional crises through collective action.

These developments demonstrate how ongoing global trends have made the

global environment more volatile with unresolved political crises and economic insecurity, weakened democratic institutions and multilateralism, and strained interstate relations. Consequently, this puts ASEAN's institutional capability to uphold international law and manage regional peace and stability to the test. The onus thus lies on the Southeast Asian countries to navigate these instabilities to safeguard their strategic interests.

Firstly, it is crucial for ASEAN to actively manage ongoing intra-state and inter-state disputes. In the case of Myanmar, ASEAN must uphold its principles, guided by the ASEAN Way, while balancing the pressing need to address consequential security impacts, including transnational crimes and refugee flows in neighbouring countries. Looking back at the 1999 Humanitarian Crisis in East Timor, ASEAN's slow response had spillover effects across the region. Its slow response, constrained by the non-interference doctrine, drew heavy criticism for the organization's inflexibility. While actively stepping in to resolve the crisis is out of ASEAN's hands, ASEAN cannot accept the ongoing situation in Myanmar as-is and allow the civil war to continue to escalate. There is a pressing need to reevaluate the Five-Point Consensus approach. ASEAN should consider adopting a clearer, more strategic, and more results-oriented framework for engaging the military junta to ensure that its institutional efforts lead

to meaningful engagement and more sustainable peace. The precarious peace between Cambodia and Thailand requires ASEAN's efforts in continuously engaging with both sides to maintain the ceasefire and prevent the conflict from escalating. During the Preah Vihear Temple dispute between Cambodia and Thailand, mediation efforts led by then-chair Indonesia, alongside the other Southeast Asian countries, helped keep both sides engaged with ASEAN and maintain diplomatic ties despite escalating tensions. Although ASEAN played a limited role in directly resolving the dispute, the soft security approach to conflict containment served as a necessary first step in resolving disputes among member states. Nevertheless, the limitations in ASEAN's effectiveness in resolving disputes due to its principled approach and the continued reluctance to use the Dispute Settlement Mechanism in resolving intra-state disputes, suggests an urgent need for ASEAN to reassess its mechanisms in order to deal with intra-regional crises without undermining its own principles.

It is also crucial for ASEAN to strengthen cooperation and partnership mechanisms across its institutions to address both ongoing and emerging sources of instability. Issues such as human trafficking, climate change, cyber threats, and AI-driven security risks are increasingly complex and transnational in nature, necessitating greater coordination efforts across the member states. Since

the formation of the ASEAN's Political and Security Community, the institution has continued to transform, playing an increasingly active role—from confidence-building in the mid-1960s and containing the threat of communism to addressing new and complex security challenges through institutional cooperation. This demonstrates ASEAN's capacity to evolve and strengthen through building trust, policy coordination, and multilateral security cooperation. To sustain this trajectory, ASEAN must continuously update its institutional frameworks, strengthen capacity-building initiatives, and deepen engagement with extra-regional partners, including Japan, South Korea, Australia, and the European Union. These efforts will help ASEAN to maintain its strategic foothold and respond more effectively to rising security challenges while reinforcing peace, stability, and cooperation in Southeast Asia.

Additionally, the persistent development and economic divide across ASEAN countries demand greater efforts to promote inclusive regional growth and cooperation. While ASEAN's markets have continued to enjoy robust economic growth, and are expected to remain attractive to businesses, benefiting from global trade and investment, these gains are unevenly distributed across the region. Moreover, this positive outlook must be accessed alongside growing vulnerabilities, including potential global economic shocks and the rising risks

posed by scams and financially-motivated cyberattacks, which threaten market stability and investor confidence.

Against this backdrop, joint capacity building programs can help hone policy tools and digital financial skills to strengthen economic resilience and narrow development gaps. Furthermore, deepening intra-regional trade through the removal of remaining barriers to trade and leveraging economic frameworks such as the ASEAN Trade in Goods Agreement (ATIGA) and the Regional Comprehensive Economic Partnership (RCEP) can further strengthen the ASEAN Economic Community.

As Philippines assumes chairmanship of ASEAN in the coming year, it faces the challenge of steering ASEAN toward more proactive and coordinated responses to evolving security and humanitarian challenges while fostering opportunities for socio-economic growth. Following Timor-Leste's admission in late 2025, full accession and integration into ASEAN's agreements and frameworks are still underway, thereby, requiring continuous support from existing members. Looking ahead, the South China Sea disputes will likely remain a significant source of regional instability. Advancing the Code of Conduct (COC) has been identified as a priority under the Philippine chairmanship, requiring carefully calibrated engagement with China to

reduce the risk of escalation while maintaining ASEAN's credibility and strategic interests in the region. With its own maritime interests at stake, the Philippines is well-positioned to give the long-awaited COC the necessary impetus to conclude in an "effective and substantive" manner.

Under the theme of "Navigating Our Future, Together," the Philippine chairmanship comes at a critical juncture for ASEAN. ASEAN can no longer afford to take a passive role but must demonstrate leadership by strengthening regional unity, responding decisively to crises, and adapting its principles to contemporary challenges. Doing so will allow ASEAN to safeguard regional stability, reinforce international law, and remain a credible actor in shaping the future of Southeast Asia and the broader Indo-Pacific region.

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