



TALKING ASEAN

Regional Developments and Challenges in Southeast Asia

**The Habibie Center, Jakarta
January 15, 2015**

INTRODUCTION

Jakarta – On Thursday, 15 January 2014, The Habibie Center held a Talking ASEAN Special Book Launch and Discussion entitled “Regional Developments and Challenges in Southeast Asia” at The Habibie Center building in Jakarta. This edition of Talking ASEAN featured Apichai Sunchindah (former Executive Director, The ASEAN Foundation), Yuyun Wahyuningrum (Senior Advisor on ASEAN and Human Rights at Human Rights Working Group (HRWG)), and Dr. Alexander C. Chandra (Executive Director, ASEAN Business Advisory Council (ASEAN-BAC)) as resource persons with Mr. A. Ibrahim Almuttaqi (Coordinator of ASEAN Studies Program, The Habibie Center) as moderator.

The objectives of this Talking ASEAN were to discuss and review issues raised in the book entitled “Regional Developments and Challenges in Southeast Asia” written by Apichai Sunchindah, Yuyun Wahyuningrum, and Dr. Sauwalak Kittipapras.

This discussion report summarizes the key points of each speaker as well as the question and answer session that followed.

SPEAKERS' PRESENTATION

— Apichai Sunchindah —



Apichai Sunchindah
Former Executive Director, The ASEAN Foundation

Mr. Sunchindah started his presentation by explaining the development indicators trends in the region. In Southeast Asia, general development trends were going up, including for economic growth. It was noted that Millennium Development Goals (MDG)'s targets were also improving in the region. However, there were still substantial numbers of people under the poverty line. Furthermore, although some of the MDG's targets had been achieved other targets such as environmental sustainability and Human Development Index (HDI) were not quite good. Thus, although economic indicators in the region were good, unfortunately social indicators were not performing very well. Inequality was still an issue for Southeast Asia and Mr. Sunchindah stated that in the future, we needed to deal with it. It was in this sense that ASEAN was trying to address the inequality problem and to narrow the development gap.

Mr. Sunchindah noted that in terms of the three pillars of the ASEAN Community, the ASEAN Economic Community was the most publicized compared to the other pillars. He called for similar attention to be given to the other pillars as well. In the ASEAN Economic Community, Mr. Sunchindah stated that some countries would lose out because not every country was going to win. Therefore, we needed social protection and to create a social safety net.

In terms of gender, political participation of women had low progress except in the cases of Lao PDR and Viet Nam. As such, it was important to increase women's political participation, including their livelihood and environment.

Mr. Sunchindah also explained the environmental trends in the region. Rapid economic growth which had been happening in the region over the past years had consequently led to the deterioration of the environment and depletion of natural resources. It also contributed to climate change and increased green house gases. Regarding the trans-boundary haze, although ASEAN had already agreed on an ASEAN Agreement on Transboundary Haze Pollution (AATHP), further push was needed to ensure its implementation. Similarly while ASEAN also had an ASEAN Action Plan to address climate change, implementation remained an issue.

Furthermore, Mr. Sunchindah highlighted the financial flows in the region. There was an increasing trend in terms of foreign direct investment (FDI) in ASEAN since ASEAN was an attractive place. In spite of that, Cambodia, Lao PDR, Myanmar, and Viet Nam were still lagging behind. According to Mr. Sunchindah more investment should go to the poorer countries but in reality was going to the richer ASEAN countries. He cited the European Union as a large contributor of FDI to ASEAN. On the other hand, overseas development assistance (ODA) flows to the region had positive growth with the exception of Thailand. Thailand had experienced negative growth in terms of ODA because Thailand had now become a net donor instead of a recipient.

At the end of his presentation, Mr. Sunchindah also emphasized the cross-cutting issue. The issue of human rights/democracy with environment/ climate change and gender issues should be interlinked. Thus, ASEAN needed to address them as one.

“In Southeast Asia, general development trends were going up, including for economic growth.”

-Apichai Sunchindah-

SPEAKERS' PRESENTATION

— Yuyun Wahyuningrum —



Yuyun Wahyuningrum - Senior Advisor on ASEAN and Human Rights at Human Rights Working Group (HRWG)

Ms. Yuyun Wahyuningrum was the second person to speak. Ms. Wahyuningrum said that human rights issue was still a sensitive issue for discussion in certain ASEAN countries. The greatest stumbling blocks were impunity and lack of political will. She went on to argue that democracy in Southeast Asia was moving forwards and backwards. For example, she cited Indonesia's democracy which she described as going back to zero citing recent events (such as the controversial regional elections law). Based on Freedom House's survey, almost all Southeast Asian countries had shown a stagnant index. Democracy in Indonesia started with partly free then it turned to free. However, in 2014, it went back to partly free. Overall, the democracy fluctuation in the region was rare. This meant that the democratization progress was very slow in terms of freedom of civil right and political rights.

Ms. Wahyuningrum recommended that to address the decline in democracy in the region, a multiple strategies approach was needed. So far, ASEAN had only promoted democracy but not enforced it. In addition, the ASEAN Intergovernmental Commission of Human Rights (AICHR) had not done enough significant actions to promote democracy. Meanwhile, civil societies often had a difficult time connecting with AICHR – such as to request for information. This was because AICHR was restricted on the types of information it could share with the public. In this sense, Ms. Wahyuningrum said that AICHR was not well-equipped to solve the problems in the region. In addition, there was no effort to resolve human rights abuse involving ASEAN citizens on foreign soil. However, there were some improvements. In the end, ASEAN needed an alternative human rights protection mechanism or to strengthen AICHR to protect human rights.

In terms of promoting democracy, ASEAN did not have a straight forward instrument. Ms. Wahyuningrum suggested using bilateral approaches to promote democracy. For example, bilateral cooperation between Indonesia and Myanmar could be used to exchange best practices on democracy.

“Human rights issue was still a sensitive issue for discussion in certain ASEAN countries. The greatest stumbling blocks were impunity and lack of political will.”

-Yuyun Wahyuningrum-

SPEAKERS' PRESENTATION

— Dr. Alexander C. Chandra



Dr. Alexander C. Chandra
Executive Director, ASEAN Business Advisory Council (ASEAN-BAC)

Dr. Alexander C. Chandra was the last person to speak. He started his presentation by outlining four things he would like to address: firstly exploring our understanding of development; secondly, how development was being applied in the regional context; thirdly, was it still feasible to have a development mindset; lastly, proposed development opportunities of ASEAN and/or whether ASEAN had any.

According to Dr. Chandra, ASEAN could actually be considered as a development organization. However he argued that its concept of development was highly contested and ambiguous. It had been narrowed and been focused on poverty and how countries could achieve MDGs.

Dr. Chandra further explained that regionalism was considered as a development tools. Nevertheless, a lot of experts saw regionalism as a failure because it was a scheme imposed by international powers. Within ASEAN itself, the development discourse had been transformed by global changes. Since early 1990's, the development concept in ASEAN was

based on market orientations shaped by economic openness. Nowadays, ASEAN had been perceived as following an outward looking integration approach. Market orientation was not bad for development in ASEAN, argued Dr. Chandra. This was proven by increased economic growth in ASEAN over the past years. However, he warned that a market approach was pretty vulnerable since every market was interlinked to the global market. In addition, although the market approach led to economic growth, this was at the expense of quite significant environmental degradation.

Dr. Chandra concluded that market oriented was not necessarily a bad thing. There were opportunities that could be taken from this approach. Regardless of what development mechanism ASEAN took, the issue of consistency and how to actually promote reform, especially non-interference approach reform was more important. Those were the key stumbling blocks to developmental progress in ASEAN besides political will.

Dr. Chandra ended his presentation by raising a question for Mr. Sunchindah: Regarding the importance of cross-sectoral issue and given the limited resources ASEAN had at its disposal, how could it be possibly resolved. In particular he asked, "What do you think is stopping ASEAN from doing its coordination? Besides that, Dr. Chandra also directed a question to Ms. Wahyuningrum: "What will you do if you were chosen as the AICHR representative for Indonesia? What reforms would you push for?"

"The development concept in ASEAN was based on market orientations shaped by economic openness."

-Dr. Alexander C. Chandra-

Q&A SESSION



One of the audience raising questions and giving comments during Q&A session.

Comment No. 1:

ASEAN is good at economic and social cooperation but not on political issues. How can ASEAN strengthen cooperation in dealing with political issue?

Mr. Apichai Sunchindah:

ASEAN should be a little bit more open. Basically, ASEAN needs reconciliation. In reality, if there is cross-cutting coordination, parties involved should sit and talk to discuss everything to get all their views and so that they can try to understand each other. It is a matter of reconciliation and understanding because each country has its own view.

Ms. Yuyun Wahyuningrum:

There are three things that I would like to do. Firstly is independent selection for the AICHR representative. Over the next 5 years, even if we only had 2 independent representatives, this will help a lot. The selection has to be participatory. AICHR should be answerable. Secondly, within the next year, AICHR should prioritize in which area it wants to be stronger.

Right now, AICHR has no focus. They touch on a lot of issues. It is good but what are the impacts from what they do, such as training? Furthermore, AICHR has launched the ASEAN Declaration on Human Rights, thus thus AICHR should be able to use this declaration to protect human rights (and not just promote it). AICHR can and should do more with the declaration. Thirdly is introducing a new practice to promote accountability. ASEAN and AICHR like to have a mindset of act/practice first and institutionalize it later.

Comment No. 2:

What do you think are the best instruments to improve the coordination to implement the ASEAN Agreement on Transboundary Haze Pollution (AATHP)?

Comment No. 3:

A question to each speaker. It was mentioned before the need to do institutional reform in ASEAN to deal with the cross-cutting issue, what specific type of reforms should be done? Will the new government of Indonesia continue with the Bali Democracy Forum and promote

Q&A SESSION

human rights in the region since it was described as interlinked with the development agenda? With regard to changes in the development approach in ASEAN, what do you think about the current government's policy that is more inward-looking?

Mr. Apichai Sunchindah:

In order to solve the haze problem, it is important to not only include environmental ministry but also other ministries, namely the forestry and agriculture ministry. This is especially so because transboundary haze is a cross-section issue. Forestry and agricultural issues are included in the ASEAN Economic Community but environmental issues is included in the ASEAN Socio-Cultural Community.

Regarding the development issue, ASEAN is going to make a post 2015 vision. Besides that, ASEAN is working on the ASEAN Development Goals (ADG). However, there is a question that remains: is it going to be following the line of the Millennium Development Goals (MDG)? If ASEAN wants to make development goals, it should be different thus it still needs to be developed further.

Ms. Yuyun Wahyuningrum:

Regarding the Bali Democracy Forum (BDF), the leaders have expressed to at the last one in 2014 their expectation that Indonesia will continue to hold it. At the moment President Joko Widodo is committed to it but perhaps he wants a new format for the BDF.

Regarding the institutional reform and ASEAN challenges, the ASEAN Secretariat should work more effectively and answer the needs of ASEAN citizens. The people want to see the institutions working together. Mr. Surin Pitsuwan, former ASEAN Secretary General, has highlighted the importance of strengthening the ASEAN Secretariat such as how to restructure the Secretariat's work based on the needs and burden of work involved. Among the three



Mr. A Ibrahim Almuttaqi (Coordinator of ASEAN Studies Program, The Habibie Center), moderates the Q&A session.

pillars, the ASEAN Socio-Cultural Community pillar is the most burdensome. It has 300 action plans. I have suggestions regarding the issue, namely all human rights bodies should be in one department and serve by a specific body under the Secretary General.

Dr. Alexander C. Chandra:

Development approaches are flexible and always changing. The way ASEAN achieved its development will not be changed. ASEAN Leaders want to make ASEAN as an attractive region for investment. In the case of Indonesia, we lost a lot of foreign direct investment (FDI). Thus, I do not think that President Joko Widodo's policy will change significantly to inward-looking. Inward-looking policy is just a rational policy making. Sometimes, other countries also apply the same things. For example, with regard to the banking sector, Malaysia and Singapore are actually closing down their financial sector. They are not always market-oriented. Indonesia is seeking reciprocal treatment from its neighbours to expand its banks.





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