

ASEAN BULLETIN

ISSUE 1 | APRIL 2024

From the CAG Team

ASEAN's Vision, Challenges and the Way Forward

By Denis Hew



Photo credit: Wikimedia Commons/Gunawan Kaitapranata

It gives me great pleasure to introduce the first issue of the ASEAN Bulletin. This periodical, which will be published quarterly by the Centre on Asia and Globalisation (CAG), aims to increase public awareness about ASEAN. The bulletin will include commentaries, key developments and events as well as recent publications on ASEAN. By sharing up-to-date information, we hope that the ASEAN Bulletin will better inform regional policy-makers, businesses, civil societies, academics and other stakeholders on pertinent policy issues affecting the region. ASEAN is one of the world's most successful regional organisations. Since its establishment on 8 August

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).

CENTRE ON ASIA
AND GLOBALISATION

Centre On Asia and Globalisation

+65 6516 7113

cag@nus.edu.sg

469A Bukit Timah Road,

Tower Block 10,

Singapore 269770

<https://lkyspp.nus.edu.sg/cag>

1967, ASEAN has over the years transformed to become a vibrant and economically dynamic region. In 2022, the combined GDP of its ten-member states reached US\$3.6 trillion making ASEAN the fifth largest economy in the world.

Although the region, like the rest of the world, was affected by the Covid-19 pandemic, ASEAN economies have proven to be quite resilient with GDP growth gradually recovering from a contraction of 3.7 percent in 2020 to 3.8 percent and 5.6 percent in 2021 and 2022 respectively. Most recent estimates from the ASEAN+3 Macroeconomic Research Office (AMRO) expect ASEAN's economic growth to pick-up from 4.8 percent in 2023 to 4.9 percent in 2024.

Given the region's open and business-friendly environment, ASEAN has been a magnet for foreign direct investments (FDI) over the past few decades. This is most evident by the establishment of extensive manufacturing supply chains by multinational corporations throughout the region. In 2022, ASEAN attracted US\$225.8 billion in FDI, a 6 percent increase from the previous year.

What is ASEAN's vision?

According to the ASEAN Community 2025, the region is envisioned to be a peaceful, stable and resilient Community which is outward looking regionally well connected and economically highly

integrated. Building on an earlier ASEAN Vision 2020, the ASEAN Community comprises three strategic pillars:

(I) the ASEAN Political-Security Community (APSC) which aims to strengthen security/defense and political cooperation among member states and collectively contribute to global peace, security and stability;

(II) the ASEAN Economic Community (AEC) which focusses on deeper economic integration among member states as well as with the global economy (through free trade and economic partnership agreements);

(III) and the ASEAN Socio-Cultural Community (ASCC) that promotes cultural cooperation and social development in the region.

ASEAN Centrality lies at the heart of the community-building process and the operationalisation of this vision (through implementation blueprints).

It is the guiding principle that keeps ASEAN at the core of regional cooperation and integration efforts as well as its engagement with external partners. ASEAN Centrality is also used as a framework to address the region's traditional and non-traditional security challenges including territorial disputes in the South China Seas, pandemics, natural disasters, climate change as well as human security issues.

ASEAN policy-makers are currently in the midst of drafting a new vision post-2025 which will likely build on the current vision while incorporating new elements that takes into account of emerging trends and challenges. It is most certain that ASEAN's three strategic pillars and ASEAN Centrality will continue to be embedded in the new vision document.

What are the challenges that lie ahead?

Against the backdrop of an increasingly hostile global landscape due to rising geopolitical tensions, ASEAN's efforts to integrate their economies and create a stronger regional community will become more challenging. At the national level, there is also a risk that domestic issues or problems will over-ride regional ones. Rising trade protectionism in recent years reflects such risk.

The Covid-19 pandemic had also increased poverty levels and income inequality in the region, resulting in wider development gaps among ASEAN member states. Hence, there is a need to formulate more inclusive policies - that cover economic, social and financial inclusion - to ensure that the most vulnerable segments of the region's populations are not left behind. Globally, there are challenges arising from megatrends that will make the implementation of regional initiatives more difficult. These megatrends include accelerated digitisation/AI adoption, rapid urbanisation, demographic trends (ageing populations) and climate change/

environmental challenges. The region also faces a number of pre-existing challenges that needs to be addressed including low productivity, weak monitoring and enforcement mechanisms (to ensure compliance of ASEAN agreements) as well as slow progress in implementing regional initiatives at the national level.

It is worth noting that many of the issues discussed are cross-cutting in nature and require cross-sectoral, even cross-pillar coordination, in order to address them effectively. Moving away from ASEAN's usual "top-down" approach of doing things and involving other relevant stakeholders, particularly the private sector, in the design of regional projects would instill a stronger sense of ownership and improve chances of successful implementation. Having open channels of communication to all relevant stakeholders that increases public awareness of regional initiatives would also be crucial.

What is the way forward for the region?

Looking ahead, it is no longer business as usual for ASEAN policy-makers - policies that worked well in the past may not be as effective in the future. They need to be more open to innovative new approaches to regional integration and consider strengthening the institutional capacity of existing ASEAN institutions and frameworks.

On the future of economic and security cooperation, ASEAN should adopt its ASEAN Outlook on the Indo-Pacific (AOIP) strategy as a means to engage with the US and China as well as among member states with its dialogue partners. ASEAN Centrality and the AOIP are useful policy approaches that could help ASEAN steer and shape the evolving regional architecture to its advantage.

Bridging the divide among ASEAN member states in terms of political, economic and social developments while building-in more inclusivity in policy-making will continue to pose a serious challenge for the region in many years to come. In this light, we hope that the ASEAN Bulletin - which is structured along ASEAN's three strategic pillars (APSC, AEC and ASCC) – will provide useful information and insights to address the challenges ahead.

Denis Hew is a Senior Research Fellow at the Centre on Asia and Globalisation, Lee Kuan Yew School of Public Policy, National University of Singapore. He tweets at @denishew.

NEWS ARTICLES & COMMENTARIES

ASEAN POLITICAL-SECURITY COMMUNITY

News Articles

Southeast Asia human trafficking tied to cyber scam centres now a global crisis, Interpol says

Channel News Asia, March 27

Organised crime rings who fuelled an "explosion" of human trafficking and cyber scam centres during the pandemic have expanded from Southeast Asia into a global network making up to US\$3 trillion a year.

Australia warns South-east Asia of 'coercive actions'

The Straits Times, March 4

"We face destabilising, provocative and coercive actions including unsafe conduct at sea and in the air," said Australian Foreign Minister Penny Wong at a speech during a summit with regional leaders in Melbourne.

China data leak spotlights cyber-spying across Southeast Asia

Nikkei Asia, March 1

Files from state-linked contractor reveal bid to infiltrate government agencies in the region.

Philippines committed to South China Sea code of conduct

Reuters, February 15

Philippines Foreign Secretary Enrique Manalo stated that tensions in the South China Sea extend beyond the superpower rivalry between the United States and China, emphasising that the Philippines and other nations have legitimate rights and interests to uphold in the region.

China held a record number of military exercises with ASEAN states in 2023. What's fuelling the spike?

Channel News Asia, February 5

China's efforts are viewed as a conscious attempt to improve the PLA's image, which has taken a hit due to its increasing assertiveness in regional flashpoints.

Selected Commentaries & Publications

Japan's arms transfers to Southeast Asia: Upping the ante?

Think China, February 19

By William Choong, Senior Fellow at the ISEAS-Yusof Ishak Institute

Japan's new Official Security Assistance (OSA) scheme would help arm regional countries in the face of growing Chinese assertiveness.

The Good and the Bad for Biden in Southeast Asia

Foreign Policy, February 5

By Derek Grossman, Senior Defense Analyst at the Rand Corp.

Three years on, the Biden administration's policy has bright spots—but still lacks a clear strategy for the region.

Media Discussions

**The United States, China, and the Future of the Global Order**
Asia Society, March 22**[S.T. Lee Distinguished Lecture] ASEAN's role in the evolving regional architecture**
Lee Kuan Yew School of Public Policy,
February 28**Indo-Pacific Forecast 2024**
Center for Strategic and International Studies
(CSIS), January 16

NEWS ARTICLES & COMMENTARIES

ASEAN ECONOMIC COMMUNITY

News Articles

ASEAN's digital economy growth hinges on upskilling: BCG chair

Nikkei Asia, March 22

The digital transformation of entire industries, coupled with initiatives to enhance the digital skills of the workforce, will play a critical role in elevating the region's position in the global economy over the next decade.

ASEAN countries pledge to strengthen regional trade at Laos meeting

The Star, March 11

At the 30th ASEAN Economic Ministers' Retreat in Laos, the ASEAN countries have reiterated the need to "strengthen cooperation and connectivity to bolster trade and the overall economy" of the ASEAN Economic Community.

Australia to offer 10-Year Visa, Financing for Southeast Asia

Bloomberg, March 4

Prime Minister Anthony Albanese is set to announce a AU\$2 billion (approximately US\$1.3 billion) financing facility, which will serve as the core element of a novel initiative aimed at boosting Australian trade and investment within Southeast Asia.

China's uncertain economy opens doors to stronger trade flows with Asean: OCBC

The Straits Times, February 10

Mr. Melvyn Low, the Head of Global Transaction Banking at OCBC, remarked that China's uncertain economic recovery is expected to encourage rapidly expanding Chinese companies to venture into Southeast Asia, potentially benefiting lenders through heightened trade flows.

Selected Commentaries & Publications

ASEAN Post-2025: Reimagining the ASEAN Economic Community

ISEAS - Yusof Ishak Institute, 2024

By Julia Tijaja, Associate Senior Fellow at the ASEAN Studies Centre, ISEAS-Yusof Ishak Institute, Simon Tay, Chairman of the Singapore Institute of International Affairs, and Sanchita Basu Das, an Economist with the Economic Research Department of the Asian Development Bank

In the face of global polycrisis, the ASEAN Economic Community (AEC) has encountered several challenges, ranging from economic disruptions to supply chain vulnerabilities.

ASEAN Economic Outlook in 2024

S&P Global Market Intelligence, January 24

By Rajiv Biswas, Executive Director and Asia-Pacific Chief Economist, S&P Global Market Intelligence

Over the next decade, the ASEAN region is therefore expected to continue to be one of the fastest-growing regions of the global economy and an increasingly important growth engine for the Asia-Pacific (APAC).

Media Discussions



EU-ASEAN Economic Relations: An Update
Centre on Asia and Globalisation, March 7

[Event Highlight] Webinar on "Making the ASEAN Digital Economy Framework Agreement (DEFA) a Reality"

ISEAS Yusof-Ishak Institute, February 10

NEWS ARTICLES & COMMENTARIES

ASEAN SOCIO-CULTURAL COMMUNITY

News Articles

Education minister joins ASEAN culture meeting

The Phnom Penh Post, March 25

During discussions on the post-2025 ASEAN Socio-Cultural Community Strategic Plan, the Laos delegation made crucial recommendations, focusing on youth skills, education, climate change, aging population readiness, and environmental protection.

ASEAN Socio-Cultural Community strengthens planning, decision making through new monitoring and evaluation system

ASEAN, February 28

The ASEAN Socio-Cultural Community (ASCC) emphasised its continued commitment to strengthening monitoring and evaluation systems to facilitate informed planning and decision-making within ASEAN for the ASCC Blueprint 2025 and subsequent strategic plans.

ASEAN Advances Digital Transformation for Poverty Alleviation

ASEAN, February 20

The Online Forum of the ASEAN Socio-Cultural Community (ASCC) Research and Development Platform for Poverty Action, supported by the ASEAN-China Cooperation Fund and The Habbie Centre advisory team, emphasized the significance of cross-sectoral cooperation in maximizing digitalization's impact on poverty alleviation, particularly in rural regions.

Rising to New Heights: ASEAN Accelerates Efforts to Advance Gender Equality and Women's Empowerment

U.S. Mission to ASEAN, February 4

The ASEAN-U.S. Agency for International Development Partnership for Regional Optimisation in the Political and Socio-cultural Communities (PROSPECT) is providing greater technical and administrative support to integrate gender equality at the centre of ASEAN's regional recovery and development agenda.

Selected Commentaries & Publications

Australia must better understand Asean by embracing its cultural values

New Straits Times, March 9

By Ray Steinwall, an Australian lawyer, commentator and Adjunct Professor, the Faculty of Law & Justice, University of New South Wales

Given the close interrelation between culture and economics in ASEAN, Australia must fully embrace the region's diversity and socio-cultural initiatives, alongside its economic and security initiatives, to ensure that cooperation is both "meaningful and enduring."

Accelerating Public Sector Support for Climate Financing in ASEAN

ASEAN Socio-Cultural Community Policy Brief, 2024

In ASEAN, the public sector plays a crucial role in implementing integrated strategies to combat climate change is hindered by economic obstacles, lack of coordination, and insufficient policies, including climate finance mobilisation.

Media Discussions



Inspiring Women's Leadership in Energy for an Inclusive ASEAN
ASEAN Centre for Energy, March 27

Our team



Denis Hew is a Senior Research Fellow with the Centre on Asia and Globalisation, at the Lee Kuan Yew School of Public Policy, National University of Singapore. Prior to taking up his current appointment, Denis was Director of the APEC Policy Support Unit (PSU) from 2011 to 2022.

✕ [@denishew](#)

✉ denis.hew@nus.edu.sg



Mae Chow is the editor for the *ASEAN Bulletin*. She is a Research Assistant at the Centre on Asia and Globalisation. She has a Masters in International Affairs with a specialisation in International Security from the Lee Kuan Yew School of Public Policy.

✉ mae.chow@nus.edu.sg



Byron Chong is the editor for the *China-India Brief*. He is a Research Associate with the Centre on Asia and Globalisation, part of the Lee Kuan Yew School of Public Policy in Singapore. He has a Masters in Strategic Studies from the S. Rajaratnam School of International Studies, at Nanyang Technological University.

✕ [@WenzhongByron](#)

✉ sppcwb@nus.edu.sg



Jassie Cheng is a Research Associate at the Centre on Asia and Globalisation (CAG) at the Lee Kuan Yew School of Public Policy, National University of Singapore. She graduated from SOAS, University of London with a Master's degree in International Studies and Diplomacy.

✉ jassie.cheng@nus.edu.sg

THE CENTRE ON ASIA AND GLOBALISATION

The Centre on Asia and Globalisation is a research centre at the Lee Kuan Yew School of Public Policy, National University of Singapore. It conducts in-depth research on developments in the Asia-Pacific and beyond, and aims to provide academics, decision-makers, and the general public with objective analysis on issues of regional and global significance. The Centre's motto "Objective Research with Impact" reflects its commitment towards ensuring that its analysis informs policy and decision makers in and about Asia.

OTHER CAG PUBLICATIONS

- *Building an ASEAN Economic Community Beyond 2025* edited by Denis Hew and Julia Tijaja (Centre on Asia and Globalisation, April 2024)
- *Strengthening Cyber Resilience in Southeast Asia* by Jassie Hsi Cheng and Mae Chow (Fulcrum, November 6, 2023)
- *ASEAN Economy Cannot Afford Business as Usual* by Julia Tijaja and Denis Hew (Fulcrum, August 16, 2023)
- *Is it realistic to achieve the ASEAN Economic Community (AEC) by 2025?* by Denis Hew (Hinrich Foundation, June 27, 2023)
- *Republic of Korea-Singapore Security Forum: Shared Concerns, Common Goals* edited by Yongwook Ryu (Centre on Asia and Globalisation, 2023)
- *Partnership or Polarization? Southeast Asian Security between India and China* edited by Evan Laksmana and Byron Chong (Contemporary Southeast Asia, August 2023)
- *Asian conceptions of international order: what Asia wants* edited by Kanti Prasad Bajpai and Evan Laksmana (International Affairs, 2023)



Compiled and sent to you by the Centre on Asia and Globalisation and the Lee Kuan Yew School of Public Policy, National University of Singapore.

Feedback or comment?

Contact our Editor: Mae Chow (Research Assistant) mae.chow@nus.edu.sg

Subscribe: <https://cag-lkyspp.com/aseanbulletin-subscribe>