Southeast Asia Political and Economic Change

Convenor: Hideaki Ohta, Professor, Graduate School of International Relations, Ritsumeikan University, Kyoto

This panel aims to provide update on Southeast Asia’s political and economic change. The end of the Cold War opened up a big space for democratization to flourish. Western countries no longer adopted a pragmatic policy towards authoritarian regimes which have strong anti-communist stance. The so-called third wave of democratization promoted political change across the globe. Southeast Asia does not escape from this trend as well. Southeast Asia is considered as a latecomer in regard what Samuel Huntington described the ‘third wave of democratization’, a striking rush of political change that started in Southern Europe in the 1970s, Latin America in the 1980s, and former Soviet Union and Eastern Europe countries in 1989/1990 (Heiduk 2014A, 1). This wave of political change did not occurred until the second half of the 1980s (The Philippines), the early 1990s (Thailand), and the late 1990s (Indonesia and Timor-Leste) (Heiduk 2014A, 1). Today, the region consists of countries which implemented full democratic system, semi-authoritarianism, and authoritarianism.

For the economic change, this panel positions the 1994 ASEAN Economic Ministers agreement to accelerate ASEAN Free Trade Area (AFTA) implementation as the starting point for the analysis. Initially, ASEAN launched the Common Effective Preferential Tariff (CEPT) agreement in 1992 which became the foundation for the AFTA. Following the agreement, ASEAN member states have gradually implemented tariff reduction on a voluntary or unilateral basis. The ratification of ASEAN Charter in the 13th ASEAN Summit in Singapore 2007 has further strengthened the AFTA agreement as member states pledged their commitment to the implementation of ASEAN Community which is the umbrella for the AFTA. AFTA aims to increase the competitiveness of ASEAN countries’ products in the world market and to attract more foreign investments to the member states. The implementation of ASEAN Community is hoped to accelerate AFTA by further integrating ASEAN States, for examples through eliminating tariff barriers, creating an open air policy, and fostering security cooperations.

In the last decade, Asia has undergone economic and political changes, particularly due the rise of China and India as well as the Global Financial Crisis. Southeast Asian countries also did not escape from the influence of these changes. The situation is also exacerbated with the United States pivot strategy to Asia Pacific region and the recent dynamics in the Middle East with the Arab Spring as well as the terror of Islamic State of Iraq and al-Sham (ISIS). Not to mention the mounting political economy competition between China and the United States, which surrogated with the establishment of the Asian Infrastructure Investment Bank (AIIB) and Trans Pacific Partnership (TPP). All these political and economic changes in the region deserve close examinations.
Guiding Questions:

In order to provide a rigorous analysis, this panel proposes four guiding questions. Each presentations in this panel will address one of these questions. Presenters may also add their own questions in order to deepen the presentation analysis.

- What are the triggers of political and economic change in Southeast Asia?
- What are the current status of those changes?
- How extra-regional actors influence Southeast Asia the architecture of Southeast Asia’s political-security and economy building?
- How does ASEAN Community influence political economy change in ASEAN member countries?

Panel

Chair: Professor Hideaki Ohta (Graduate School of International Relations, Ritsumeikan University, Kyoto)

1. Rethinking the Source of Political Change in Thailand, Myanmar, and Thailand
   Adhi Priamarizki (Ritsumeikan University)

2. Foreign Economic Policy of Vietnam towards ASEAN Economic Community 2015
   Quynh Huong Nguyen (Ritsumeikan University)

3. Political Economy of Regionalism in ASEAN and Its +3 Partners: Contemporary Changes in Automotive and Electronics Production Network
   Riza Noer Arfani (Ritsumeikan University)

4. Military in motion: Indonesia’s Defence Diplomacy in Yudhoyono Years
   Muhammad Haripin (Ritsumeikan University)

5. The Effects of Foreign Capital Inflows on Domestic Savings, Economic Growth and Employment in Lao PDR
   Kinnalone Phimmavong (Ritsumeikan University)

6. Out of Shadow of the Past: Challenges towards a full-fledged ASEAN Political-Security Community
   Agus Trihartono (Ritsumeikan University)

7. Willing Suspension of Disbelief: ASEAN and the Commitment on Human Rights Protections in West Papua
   Nino Viartasiwi (Ritsumeikan University)
Abstracts

1. Rethinking the Source of Political Change in Thailand, Myanmar, and Indonesia
Adhi Priamarizki (Ph.D. student at Ritsumeikan University, Kyoto)

Thailand, Myanmar, and Indonesia have experienced political change. However, the three countries produced different outcomes from one to another. This presentation aims to explain the mixed results of political change by comparing the three case studies. Furthermore, the presentation would like to identify the triggers as well as explain the emergence of political change in Thailand, Myanmar, and Indonesia. It argues that elite disunity plays a bigger role in promoting political change compares to other elements. Therefore, instead of producing a full-fledged democratic system, political change gave way for the rise of hybrid regimes and served the prevailing faction’s interests.

2. Foreign Economic Policy of Vietnam towards ASEAN Economic Community 2015
Quynh Huong Nguyen (Ph.D. student at Ritsumeikan University, Kyoto)

Vietnam has transformed its economy remarkably in the first 30 years (1986-2015) of Doi Moi (renovation). Vietnam became a member of ASEAN in 1995 and gradually improved its political and economic status in the region as well as global level. Since The Communist Party of Vietnam aims to maintain political stability as the prerequisite of economic development, the country nowadays keeps its door open to foreign trade and investment. This presentation focuses to show some foreign economic changes in some policies for manufacturing labour of Vietnam in response to the ASEAN Community 2015 and explains the role and influence of ASEAN to Vietnam.

3. Political Economy of Regionalism in ASEAN and Its +3 Partners: Contemporary Changes in Automotive and Electronics Production Network
Riza Noer Arfani (Ph.D. student at Ritsumeikan University, Kyoto)

The official implementation of AEC (ASEAN Economic Community) in 2016 shall add long lists of topical debate on how member countries finalize ASEAN economic regionalism. The presentation hence adds on the lists by offering cases of automotive and electronics industries as the two sectors’ major players have been struggling with contemporary changes in global and regional production networks. Driven by major leading firms which originated from ASEAN+3 countries (China, Japan and Korea), ASEAN automotive and electronics industries are notable examples of how political economic relations among related stakeholders have further shaped its regional economic integration.

4. Military in Motion: Indonesia’s Defence Diplomacy in Yudhoyono Years
Muhammad Haripin (Ph.D student at Ritsumeikan University, Kyoto)

This paper discusses the recent development of Indonesia’s defence diplomacy. The aim is to provide a systematic assessment on the context of military’s growing attention towards diplomatic affairs. This growing attention signalled important dynamics within the military structure, Tentara Nasional Indonesia (TNI), in terms of organization (e.g. proliferation of new offices) and geopolitical thinking (outward-looking). Likewise, this trend also appeared to sustain Indonesia’s rising profile in
international fora.

5. The Effects of Foreign Capital Inflows on Domestic Savings, Economic Growth, and Employment in Lao PDR

Kinnalone Phimmavong, (Ph.D. student at Ritsumeikan University, Kyoto)

Since the economic reform from central-planned to market-oriented economy in 1986, foreign capital inflows into Lao PDR, which allocated to finance the savings-investment gap, have increased notably. Foreign capitals, foreign direct investment (FDI) and official development assistance (ODA), play a paramount role in advancing Lao's socio-economic development. However, depending heavily on external funding sources contains the possibility of jeopardizing the country's development sustainability. This study attempts to examine the effects of foreign capital inflows on domestic savings, economic growth, and employment rate in Lao PDR in order to find policy recommendations for effectively utilizing foreign capital in fostering sustainable economic growth, employment generation, and domestic savings.

6. Out of the Shadow of the Past: Challenges towards a full-fledged ASEAN Political-Security Community (APSC)

Agus Trihartono, (R-GIRO Researcher, Ritsumeikan University, Kyoto).

ASEAN is formally moving to a new stage of political and security community by the end of 2015. As the most significant ASEAN security pillar, the APSC is institutionally designed to effectively manage security challenges of the association's members. This paper aims at addressing ASEAN's road to a full-fledged political security community and underlines the most current challenges of both traditional and non-traditional security issues. It suggests that it is time to match the APSC's rhetoric to deeds. ASEAN members need to deal with the core issues lie on ASEAN's shadow of the past namely national sovereignty and non-interferences, and focus on the balance of regional security order and the security of the people in ASEAN' security framework.

7. Willing Suspension of Disbelief: ASEAN and the Commitment on Human Rights Protections in West Papua

Nino Viartasiwi (Ph.D student at Ritsumeikan University, Kyoto)

One of the principles of ASEAN Charter is the establishment of a human rights body to uphold the principle to respect human rights. The ASEAN Intergovernmental Commission on Human Rights (AICHR) is the mandated body to organize and provide a framework for human rights promotion and protection in the region. As the leading country in ASEAN, Indonesia is the keen supporter of AICHR. However, Indonesia faces the domestic trouble of the allegation on human rights violation in one of its troubled region, West Papua. This article aims to see how AICHR addresses the indictment of human rights violations in West Papua. The study argues that AICHR gives very limited attention to the allegation of human rights abuses in West Papua. The study finds that as the AICHR members are governments' representations, their views are also the views of the ASEAN member states that also deal with their own human rights violations' allegations. Waiting for ASEAN's strong voice on human rights protections in West Papua, therefore, is an unrealistic wish due to the national political challenges of its each member countries.


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