



**Padjadjaran Journal of International Law**

ISSN: 2549-2152, EISSN: 2549-1296

Volume 3, Number 1, January 2019

## **Southeast Asia Economic Development Through ASEAN Reform**

**Lue Estherina Flora Tanti\***

### **Abstract**

*Since its establishment, Association of Southeast Asia Nations (ASEAN) has achieved many accomplishments in economic sectors including regional trade and connectivity. However, ASEAN's work as a bloc has remained complacent and ineffective causing insignificant results. In fact, this was caused by the deeply rooted key norm guiding the ASEAN's behaviour, the ASEAN Way. This ASEAN Way which mostly involved sovereignty and non-interference could be argued as the factor maintaining the stability in the region, yet at the same time it might also be considered as the barrier to the regional economic development. Throughout the years, the world is changing and so is ASEAN. This change indicates that there is inconsistency between the aims, the provisions, and the implementation and it is time to take a closer look again at the Association. Therefore, this article is focusing at the intersection between economics and legal frameworks in the regional organization, which remains relatively unexplored territory. It will analyse past actions of ASEAN and European Union as comparison. Several approaches will be considered before eventually proposing the best form of reform for ASEAN and its citizens.*

*Keywords: ASEAN Reform, Economic Development, Regional Organization*

### **Perkembangan Ekonomi Di Asia Tenggara Melalui Reformasi ASEAN**

#### **Abstrak**

Sejak awal dibentuknya Association of Southeast Asia Nations (ASEAN), ASEAN telah meraih berbagai pencapaian dalam bidang ekonomi termasuk dalam bidang perdagangan dan hubungan regional. Akan tetapi, sebagai sebuah blok, ASEAN masih kurang efektif dalam menangani permasalahan regional yang menghasilkan hasil yang tidak signifikan. Faktanya, hal ini disebabkan norma yang tertanam sebagai landasan tindakan ASEAN, the ASEAN Way. ASEAN Way ini sangat melibatkan prinsip kedaulatan dan non-intervensi yang merupakan faktor dari stabilitas di ASEAN, namun secara bersamaan juga merupakan hambatan dalam perkembangan ekonomi regional. Seiring berkembangnya zaman, dunia berubah tidak terkecuali ASEAN. Perubahan dalam ASEAN ini mengindikasikan bahwa tujuan, peraturan dan implementasi ASEAN tidak konsekuen dan membutuhkan peninjauan kembali. Oleh karena itu, penelitian anilitis yuridis ini memfokuskan pada percabangan antara ekonomi dan peraturan hukum dalam organisasi regional, yang kurang tereksplor. Penelitian ini juga akan menganalisis tindakan ASEAN di masa lalu dan membandingkan dengan Uni Eropa. Beberapa pendekatan akan dipertimbangkan sebelum diajukannya bentuk reformasi yang terbaik untuk ASEAN dan seluruh warganya.

Kata Kunci: Organisasi Regional, Perkembangan Ekonomi, Reformasi ASEAN

## A. INTRODUCTION

The Association of Southeast Asia Nations (ASEAN), which comprises 10 countries with a total population of 650 million, is one of the most diverse, dynamic and complex regions in the world.<sup>1</sup> Located in the South of East Asian countries and the East of South Asian countries, ASEAN countries are exposed to enormous opportunities along with its challenges brought about by economic rise of countries from neighbouring regions. The Association was established on 8 August 1967 and has continuously progressed towards its aims and purposes since then. Southeast Asia's total Gross Domestic Product (GDP) has increased almost fivefold the value in 2000 to US\$3 trillion in 2018.<sup>2</sup> This report has evidently shows ASEAN's remarkable progress and the region's potential in relation to economic growth.

Throughout the years, ASEAN has gone through major transformation, from only a foreign ministers meeting to a functioning forum of regional cooperation. While the ASEAN's working method might have changed, yet the concept of ASEAN Way has not. It is well known that the ASEAN Way is a key norm guiding the ASEAN's behaviour which is embedded in the principle of non-interference and sovereignty.<sup>3</sup> The Member States have been encouraged to put national sovereignty first and to not intervene in other Member State's domestic affairs.<sup>4</sup> The Association is driven by a consensus model of decision making which allows countries to refuse any initiative and avoid legally binding commitments. One could argue that this manner of ASEAN in conducting inter-state relations contributed to the stability in the

region. Yet, it follows that this manner also creates barriers to the strong regional community let alone regional economic integration. For example, the share of intra-ASEAN total trade grew only from 22% in 2005 to 23% in 2018, relatively low compared to intra-EU trade amounts to 64%.<sup>5</sup>

In an increasingly interconnected world, there have been new challenges arising from globalization. Following the Cold War era, ASEAN demanded for greater respect for democracy and human rights.<sup>6</sup> Then, the Asian Financial Crisis of 1997-1998 evidently shows that nation-states are powerless against volatile capital flows in a globalized economy in which national sovereignty was not capable to cope with the new economic crises.<sup>7</sup> In this regard, ASEAN's current economic policy has remained complacent and ineffective, therefore requires an updated evaluation and finally an economic policy reform. Yet, we could not deny the fact that economics as a discipline has not provided much guidance on economic policy reform and institutional development mechanisms. Legal experts are less commonly examining the implications for economic policy. Thus, work at the intersection between economics and legal frameworks—of why and how policy reform takes place—remains relatively unexplored territory. This paper will mainly focus on how ASEAN economic policy reform could affect economic development in Southeast Asia.

## B. THE ASEAN WAY

The Association of Southeast Asia Nations (ASEAN) was established for socio-economic purposes and often described as

<sup>1</sup> ASEANstats (Statistics Division of the ASEAN Secretariat), *ASEAN Key Figures 2019*, Jakarta: ASEAN Secretariat, 2019, p. 1.

<sup>2</sup> *Ibid.*, p. 29.

<sup>3</sup> Lee Jones, "ASEAN's Unchanged Melody? The Theory and Practice of 'Non-Interference' in Southeast Asia", *The Pacific Review*, Vol. 23, No. 4, 2010, p. 480.

<sup>4</sup> Jörn Dosch, "Southeast Asia: ASEAN and The Challenge of Regionalism", in M. K. CONNORS (et. al.), *The new*

*global politics of the Asia Pacific*, 2<sup>nd</sup> Edition, London: Routledge, 2011, p. 122.

<sup>5</sup> ASEANstats, *op.cit.*, p. 37.

<sup>6</sup> Anja Jetschke and Jürgen Ruland, "Decoupling Rhetoric and Practice: The Cultural Limits of ASEAN Cooperation", *The Pacific Review*, Vol. 22, No. 2, 2009, p.193.

<sup>7</sup> *Ibid.*, p.197.

an economic organization.<sup>8</sup> The ASEAN's aims and purposes are to advance regional economic growth and socio-cultural development through joint endeavours could create a prosperous and peaceful community; to promote peace and stability in the region through abiding respect for justice and rule of law; to promote cooperation and mutual assistance on matters of common interest and to maintain cooperation with other organizations; to provide assistance in the educational, professional and technical spheres to other Members and to promote Southeast Asian Studies; to collaborate effectively for the expansion of the trade in the region;<sup>9</sup>

It follows that there are two perspectives of this Association. Firstly, the Association is a foundation for regional cooperation of Southeast Asian states.<sup>10</sup> In this sense, ASEAN Member States' are bound to adopt a shared identity of the region, including norms, values and practices. Secondly, the Association is an instrument for its Member States.<sup>11</sup> It means that ASEAN was built by its members to promote their self-interests. In fact, the current ASEAN Way, a key principle in the organization, demonstrated that the second perspective is closer to the reality. ASEAN indeed has an identity but not strong enough compared to each Member States' identity.

The principle of ASEAN Way has been attached to the region ever since the establishment of previous South East Asia's regional organizations, Association of Southeast Asia (ASA) and Maphilindo. Since then, the Member States are encouraged not to use collective defence to serve another states' interests and committed to

the principle of consultation, or *musyawarah*, to settle any disagreement among members. Furthermore, the Member States also agreed to establish a set of procedural norms in accordance with the principle of the ASEAN way.<sup>12</sup> Those are a set of working guidelines which includes the method on how conflicts should be managed by the Association. These norms include but are not limited to the principle of seeking agreement without confrontation (*musyawarah*); principle of sensitivity and politeness; principle of quiet, private and elitist diplomacy without publicly announcing the issue; the principle of being non-Cartesian and non-legalistic.<sup>13</sup> It should be noted that these guidelines do not identify specific goals of policy such as the preservation of territorial integrity. Instead, it does identify which course of action should be pursued by the Member States to manage their affairs within the context of ASEAN. There are two factors that are critical to understand the reason why this principle is important. First of all, there is the attachment to sovereignty resulting from the Member States' historical experience, namely colonialism and imperialism, the Cold War and China's attempts to export communism.<sup>14</sup> Second of all, domestic and regional stability is considered as a priority due to the countries' fragility toward the social and political order and the need to defend their statehood against other states or domestic challenges.<sup>15</sup>

In addition, ASEAN have several other formally adopted principles. These can be found in the Article 2 of Association's Treaty of Amity and Cooperation, which define four basic principles to guide the actions of the Member States. These principles are

<sup>8</sup> Article 1 ASEAN Declaration (Bangkok Declaration) 1967.

<sup>9</sup> Article 1 ASEAN Declaration (Bangkok Declaration) 1967.

<sup>10</sup> Shaun Narine, *Explaining ASEAN: Regionalism in Southeast Asia*, United States of America: Lynne Rienner Publishers, 2002, p. 1.

<sup>11</sup> *Ibid.*

<sup>12</sup> Nikolas Busse, "Constructivism and Southeast Asian Security", *The Pacific Review*, Vol. 12, No. 1, 1999, p. 47.

<sup>13</sup> *Ibid.*

<sup>14</sup> *Ibid.*, p. 46.

<sup>15</sup> Hiro Katsumata, "Reconstruction of Diplomatic Norms in Southeast Asia: The Case For Strict Adherence to the ASEAN Way", *Contemporary Southeast Asia*, Vol. 25, No.1, 2003, p. 105.

respect for the sovereignty and territorial integrity of all states, non-interference in the internal affairs of other states, peaceful settlement of disputes, and renunciation of the threat or use of force.<sup>16</sup> The principle of non-interference has been referred to as the foundation stone of the ASEAN way upon which the collective identity of ASEAN hangs.<sup>17</sup> While this is of course true to a certain extent, yet it should be acknowledged that there must be underlying culturally-based beliefs governing the ASEAN actions which made the real ASEAN way more than the principle of non-interference. Besides, there is indeed more to ASEAN collective identity other than ASEAN Way.

In order to examine the said beliefs and norms, it is best to examine through a socio-historical context. Historically, the Southeast Asia region's manner of politics can be deemed to be personalistic, informal and non-contractual. Unlike the West, Southeast Asia has not been introduced to Roman Law's rational bureaucracies which brought a more formal and legalistic systematic local politics.<sup>18</sup> It follows that after the process of decolonization, the traditional polity in the Southeast Asia region evolved to bureaucratic politics.<sup>19</sup> Although in theory there exists formal political institutions, in fact most Southeast Asian States were ruled by elite groups operating on the basis of patronage networks and eventually institutionalising a highly private and informal political culture.<sup>20</sup> One example that these cultures are still practiced in the economic and political systems of the Southeast Asia region is the recent Asian Financial Crisis. As to these cultures blamed for having

triggered the Asian Financial Crisis, the States try to manage the Crisis by calling for good governance which means a more democratically legitimized, rule-based, institutionalized and more transparent form of governance.<sup>21</sup>

Further, the ASEAN way could be used as a method employed by the Association to deal with conflict situations. The conflict between ASEAN and (then) US Vice President Al Gore's is one example that shows how the Member States exercised the principle of ASEAN Way. At that time, President Gore criticized Malaysia's policies surrounding the dismissal and subsequent incarceration of that country's Deputy Prime Minister, Anwar Ibrahim. ASEAN's Member States objected to the remarks, which was considered harsh, as an aggressive imposition of American democratic values on the politics in the ASEAN region.<sup>22</sup> At that time, the Member States rallied together and affirmed a return to the ASEAN way as fundamental to their political identity.

In reference to the aforementioned explanation, there are two possibilities of how ASEAN Way affect the economic development in ASEAN region. First, it contributes to the peace and stability in the region. Second, it imposed a barrier to economic development In the region. Therefore, in order to determine whether or not ASEAN will be reformed, we need to re-evaluate the ASEAN's progress in relation to stability, peace, and also economic development.

<sup>16</sup> Article 2 Treaty of Amity and Cooperation in Southeast Asia 1976.

<sup>17</sup> Alex J. Bellamy and Catherine Drummond, "The Responsibility to Protect in Southeast Asia: Between Non-Interference and Sovereignty as Responsibility", *The Pacific Review*, Vol. 24, No.2, 2011, p. 185.

<sup>18</sup> Gillian Goh, "The 'ASEAN Way': Non-Intervention and ASEAN's Role in Conflict Management, *Stanford Journal of East Asian Affairs*, Vol. 3, No. 1, 2003, p. 115.

<sup>19</sup> Karl D. Jackson, "Bureaucratic Polity: A Theoretical Framework for the Analysis of Power and Communications in Indonesia," in Karl D. Jackson and Lucien W. Pye, *Political Power and Communications in Indonesia*, Berkeley: University of California Press, 1978, p. 4.

<sup>20</sup> Gillian Goh, *loc.cit.*

<sup>21</sup> Anja Jetschke and Jürgen Ruland, *op.cit.*, p.197.

<sup>22</sup> Gillian Goh, *op.cit.*, p. 114-115.

### C. ASEAN'S PROGRESS

As illustrated in the previous sections, the ASEAN Way of sovereignty and non-interference could be argued as the factor maintaining the stability in the region, yet at the same time it might also be one factor that mitigate the region's economic development. Since the beginning, ASEAN has been progressing by planning and implementing. In order to turn the plan into concrete actions, ASEAN has implemented various activities to initiate futures-oriented programmes at the regional level aiming to develop the region's economy. Those programmes included but not limited to ASEAN Economic Ministers (AEM) in 1980, ASEAN Free Trade Area (AFTA) in 1992, ASEAN Framework Agreement on Services (AFAS) in 1995. As of 2003, ASEAN Leaders agreed to establish the ASEAN Economic Community (AEC), the realisation of the region's end goal of economic integration by 2020.

ASEAN Economic Community (AEC) is considered as a key milestone to the journey of the region's economic integration.<sup>23</sup> It envisions the Association to be a single market in a highly competitive region, in order to achieve economic integration in the global economy. In 2007, the Leaders came together and committed to accelerate the establishment of ASEAN Community to the year 2015.<sup>24</sup> The AEC Blueprint 2015 was established to provide the guiding principles to become an integrated and competitive dynamic region, enabling free flow of goods, services, capital and skilled workers and investment. The first AEC Blueprint 2015 key achievements are as follows:<sup>25</sup>

- a. Towards a Single Goods Market: tariff elimination among the ASEAN-6

(Brunei Darussalam, Indonesia, Malaysia, the Philippines, Singapore and Thailand) by 2010 and for the CLMV (Cambodia, Lao PDR, Myanmar and VietNam) by 2018. Although it does not create an open market, it indeed gradually eliminated the barriers. The progress also shown by the establishment of the ASEAN Single Window, aiming to create a single data flow along with systematic procedure, and eventually increase transaction's productivity and market's competitiveness.

- b. Removing Barriers to Trade through Facilitative Standards and Conformance: through the simplification of cross-border trading processes, including on customs procedures and rules of origin (ROO), harmonisation of technical regulations and mutual recognition arrangements (MRAs), it could reduce trade costs.
- c. Bolstering Productivity through Skills Mobility: ASEAN has succeeded in facilitating trade through free flow of skilled labour within the region. ASEAN has concluded eight mutual recognition arrangements (MRAs) which are engineering services, nursing services, architectural services, framework for surveying qualifications, medical practitioners, dental practitioners, the framework for accounting services, and tourism professionals.
- d. A World Class Investment Destination: ASEAN has now become a more attractive investment destination due to the continuous work building ASEAN as a collective identity not as a 10 stand-alone economies. Further, the Association also works on a more

<sup>23</sup> ASEAN (Association of Southeast Asia Nations), "AEC Monitoring", <https://asean.org/asean-economic-community/aec-monitoring/>, accessed on 1 September 2017.

<sup>24</sup> ASEAN (Association of Southeast Asia Nations), *ASEAN Economic Community Blueprint*, Jakarta: ASEAN Secretariat, 2008, p. 5.

<sup>25</sup> ASEAN (Association of Southeast Asia Nations), *ASEAN Economic Community 2015: Progress and Key Achievements*, Jakarta: ASEAN Secretariat, 2015, p. 10-17.

business-friendly and innovation-supportive environment through the adoption of new frameworks that promote fair competition and freer flow of capital.

- e. Integrated Regional Financial System: ASEAN Bank Integration Network was approved in 2014 and aims to promote a more integrated regional banking sector.
- f. Towards Connected AEC: Acknowledging the need to connect the region in order to stay competitive, thus ASEAN has worked toward better connectivity in transportation and other infrastructure networks. To achieve this, the Association prioritizes ASEAN's transport cooperation namely ASEAN Highway Network and ASEAN Open Skies Policy.
- g. An Inclusive and Participatory AEC for Enterprises of All Sizes: ASEAN has supported the Small-Medium Enterprises, which comprises over 90% of enterprises in the region, to participate in the global value chains. The said supports namely ASEAN Benchmark for SME Credit Rating Methodology, the SME Service Centre, the ASEAN SME Policy Index and the ASEAN Common Curriculum for Entrepreneurship, among other measures.
- h. A Globally-engaged ASEAN: Aside from facilitating trade within Member States, ASEAN also develops its global partnerships with major economies through the Regional Comprehensive Economic Partnership (RCEP). There are 16 RCEP participating countries consisting of ten ASEAN countries and six partner countries - China, India, Japan, South Korea, Australia and New Zealand in which accounts for almost half of the world's population, amounts to about 30 percent of the

global GDP. RCEP discussions include almost all possible economic negotiations including trade, investment, economic cooperation, intellectual property, competition, and SMEs.

Despite the progressive works through AEC Blueprint 2015, significant results have not yet been achieved. As a dynamic process in building a community, it requires continuous effort to advance the region's integration as well as to ensure its relevance in an evolving global economy. Therefore, the AEC Blueprint 2025 is expected to continue the progressive work. The AEC Blueprint 2025 is made to provide comprehensive directions through strategic measures and included in Kuala Lumpur Declaration on ASEAN 2025: Forging Ahead Together along with ASEAN Community Vision 2025, ASEAN Political-Security Community Blueprint 2025, and ASEAN Socio-Cultural Community Blueprint 2025.<sup>26</sup> In fact, the AEC Blueprint 2025 sets even bolder goals and directives with these 5 key pillars:<sup>27</sup>

- 1) an integrated and cohesive economy;
- 2) a competitive, innovative and dynamic association;
- 3) enhanced economic connectivity and sectoral cooperation;
- 4) a resilient, inclusive, people-oriented and people-centred association;
- 5) a global ASEAN.

It follows that to ensure accountability and transparency, the community implemented the Consolidated Strategic Action Plan (CSAP) to complement the AEC Blueprint 2025. It works as an important feature which allows effective monitoring of the implementation progress and better tracking of the key achievements of the Blueprint.<sup>28</sup> The CSAP also accommodates stakeholder feedback to ASEAN economic integration priorities in the succeeding year.

<sup>26</sup> ASEAN (Association of Southeast Asia Nations), "AEC Monitoring", *op.cit.*.

<sup>27</sup> ASEAN (Association of Southeast Asia Nations), *ASEAN Economic Community Blueprint 2015, op.cit.*, p. 1.

<sup>28</sup> ASEAN (Association of Southeast Asia Nations), "ASEAN Economic Community 2025 Consolidated Strategic Action Plan", *Endorsed by the AEM and AEC Council*, Philippines, 6 February 2017, p. 1.

One of the most pressing issues in ASEAN body would be relating to dispute settlement.<sup>29</sup> Regardless of ASEAN's authority to address issues of human rights, good governance and economic integration, there is no specific mechanism to enforce compliance of its member states if they breach the regulations. There is no legally binding dispute-settlement mechanism or any mechanism to penalize states if they breach their obligation. However, there is still much to be optimistic about ASEAN as a region despite the institutional limitations.

To date, ASEAN represents a combined market of over 650 million people, behind only the population of China and India, with a combined gross domestic product (GDP) of approximately US\$3 trillion. ASEAN placed fifth in the world for the largest economy and third largest in Asia.<sup>30</sup> Growth figures of ASEAN economies grew at 4.7% in 2016 also showed great progress, almost double of global growth rates of 2.3%. Moreover, the Southeast Asia region is one of the top destinations of global foreign direct investment (FDI), receiving around 16% of the world's FDI among developing economies. As to the increasing number of businesses and investors looking to ASEAN region as a key destination, market, and production base, the Association is expected to be the fourth largest economy in 2030. Yet, regardless of ASEAN's progress, it was deemed complacent and inefficient. Thus, in the next part, ASEAN will be compared to European Union, which is by far the most advanced regional organization.

#### D. ASEAN COMPARED TO EUROPEAN UNION

In 1945, the European Union (EU) was formed and aims for the end of the bloody wars between neighbours due to the Second World War.<sup>31</sup> The Union adopted supranationalism in which Member States pooled their sovereignty into common institutions, legal frameworks and policies. Since then, EU has successfully unite the region culturally, economically and even politically. The EU Member States, from Scandinavia to Greece, are affected by external pressures, namely military adventures in Asia, refugees from Arab world seeking asylum, a devastating world-wide financial crisis and global recession.<sup>32</sup> In tackling these issues, the EU regional cooperation has mostly contributed to overcome it. The Region's achievements is not a spontaneous success story but it was achieved gradually. In the process, the Union had to overcome its existential crisis due to widespread inconsistencies in national policies across Member States, particularly in terms of economic culture and fiscal policy.

In the beginning, the Union established the European Coal and Steel Committee (ECSC) in 1951. The ECSC's work mainly focuses on economic integration by forming a free trade area for resources like coal, iron ore, and steel. In this manner, the ECSC begins to unite the six founding fathers; Belgium, France, Germany, Italy, Luxembourg, and the Netherlands.<sup>33</sup> In 1957, the Union agreed to sign the Treaty of Rome and established the European Economic Community (EEC).<sup>34</sup> Subsequently, the European Single

<sup>29</sup> Syed Munir Khasru, "What We've Achieved and The Challenges Ahead – 50 Years of ASEAN", <https://www.weforum.org/agenda/2017/11/whats-weve-achieved-and-the-challenges-ahead-50-years-of-asean/>, accessed on 20 August 2017.

<sup>30</sup> ASEANstats (Statistics Division of the ASEAN Secretariat), *ASEAN Key Figures 2019*, *op.cit.*, p. 29.

<sup>31</sup> European Union, "The History of the European Union", [https://europa.eu/european-union/about-eu/history\\_en](https://europa.eu/european-union/about-eu/history_en), accessed on 3 September 2017.

<sup>32</sup> Joshua Berliner, "Successful Regional Integration in the European Union Through Vision and Planning", *Thesis for Master's Degree at City University of New York*, New York, December 2015, p. 4.

<sup>33</sup> European Union, "The History of the European Union", *Op.Cit.*

<sup>34</sup> *Ibid.*

Market was established in 1993 which embodies the four freedoms of movement of goods, services, people and money. Then, in 1999, the Euro was adopted as the Region's currency in which European Central Bank was responsible for its management. Four years later, the Treaty of Lisbon was signed which amended two previous treaties and formed the constitutional framework for the EU which has since expanded to 28 nations.

On the other hand, ASEAN was established not with the intention to pool Member States' sovereignty under a supranational entity but very much for the opposite of that.<sup>35</sup> While the establishment of the EU was meant to suppress nationalism, ASEAN's conception was to protect the newfound sovereignty of the newly independent Southeast Asian countries. The founding members of ASEAN, except for Thailand, have been previously colonised by western powers. Therefore, ASEAN was formed to promote cooperation amongst its Member States and to protect the Member States from any harm to their domestic affairs. As stated by one of the ASEAN founding members, Adam Malik, the vision of ASEAN is to develop an independent and strong region to stand on its own and defend itself against negative influence from the outside.<sup>36</sup>

During the height of the Cold War era, the imminent threat to the Southeast Asia region was communism which already took a foothold in the Indochina region. Following this, the Member States adopted an informal approach to diplomacy which very much relied on a non-legalistic decision-making process, resulting in the

expansion of ASEAN to its current 10-member configuration. This approach is the ASEAN Way which has been the subject of praise and criticism as mentioned previously. Arguably, it has managed to prevent the Association from falling apart because Member States are not obliged to comply with any binding agreements. Yet, it might have slowed down the Association's progress and its strict adherence to the principle of non-interference could be seen as ineffectual discussion with no real capacity for action.

It follows that ASEAN has no legally binding dispute-settlement mechanism or any mechanism to penalize states if they breach their obligation.<sup>37</sup> In contrast, the Commission of European Union may launch a formal infringement procedure against the Member States that fail to properly implement EU laws.<sup>38</sup> If the issue still could not be settled, the European Commission may then refer the case to the European Court of Justice. In addition, EU also includes a dispute settlement mechanism in all its trade agreements to resolve disputes between the Union and its trading partner.<sup>39</sup> This mechanism, which is specifically designed to deal with disputes arising out of the rules of the bilateral trade agreement, allows for the rapid settlement of disputes similar to WTO dispute settlement system.

Several barriers that prevent ASEAN success, namely diversity in institutions, markets and economies and importantly different pace of development among Member States. In the case of ASEAN, inequality has played a big role here, while Singapore and Brunei have high GDP per capita, Laos, Cambodia and Myanmar lag far

<sup>35</sup> Angaindrankumar Gnanasagaran, "ASEAN and the EU: Like Two Peas in the Same Pod?", <https://theaseanpost.com/article/asean-and-eu-two-peas-same-pod>, accessed on 6 September 2017.

<sup>36</sup> *Ibid.*

<sup>37</sup> Syed Munir Khasru, "What We've Achieved and The Challenges Ahead – 50 Years of ASEAN", <https://www.weforum.org/agenda/2017/11/whats-weve-achieved-and-the-challenges-ahead-50-years-of-asean/>, accessed on 20 August 2017.

<sup>38</sup> European Commission, "Applying EU Law", [https://ec.europa.eu/info/law/law-making-process/applying-eu-law\\_en](https://ec.europa.eu/info/law/law-making-process/applying-eu-law_en), accessed on 3 September 2017.

<sup>39</sup> European Commission, "Disputes under Bilateral Trade Agreements", <https://ec.europa.eu/trade/policy/accessing-markets/dispute-settlement/bilateral-disputes/>, accessed on 3 September 2017.

behind in terms of economic growth and modernization. Along with a gap in the Member States' economic capacity, there is also lack of adequate regulations and investment mechanisms. For instance, Singapore-Kunming high-speed railway, which amounts to tens of billion euros, is considered as mega projects but the proposed project is too expensive and Laos might not be able to carry the debt.<sup>40</sup> The ongoing Fourth Industrial Revolution comprising automation, digitization, cloud computing and the internet of things and other technological disruptions also imposed challenges to ASEAN. While it could bring about much needed benefits in the form of better jobs, more connectivity, improved services like healthcare and education and more business and investment, it also requires ASEAN capability to navigate the change.<sup>41</sup>

Conversely, a country wishing to join the European Union is required to have capacity to compete market forces in the region. The applicant country also has to have stable institutions guaranteeing democracies with market economies, where ASEAN member states range from authoritarian, to socialist, to fully democratic. Unlike the ASEAN systems, any country that meets the criteria to join the EU has to immediately comply with EU rules and regulations in all areas. Further, in terms of investment, the Union could easily achieve a yearly investment plan which amounts to 500 billion euros.<sup>42</sup> This EU Investment money is planned to boost investment within the region, innovation related to technological disruption and create a better job.

In order to achieve wider cooperation, the EU Council also adopted broad

economic policy guidelines (BEPG) according to the Commission recommendation. The BEPG approach to a wider coordination within the EU achieved through annual cycles of economic policy discussions between EU countries and EU institutions. The BEPG are non-binding guidelines for the EU and its Member State which aims to promote macroeconomic stability, sustainable finances, structural reform and the smooth functioning of the Economic and Monetary Union (EMU).<sup>43</sup>

Furthermore, the European Union formed the Economic and Monetary Union (EMU) to achieve economic integration. EMU was designed to support sustainable economic growth and high employment through economic and monetary policy, which involves four main economic activities:<sup>44</sup>

1. implementing an effective monetary policy with the objective of price stability
2. coordinating economic and fiscal policies
3. ensuring the single market runs smoothly
4. supervising and monitoring financial institutions

As the monetary policy is closely coordinated and centralised, the economic policy-making is not a domestic affairs but becomes a matter of common concern to all EU countries. An independent monetary policy for the euro area is managed through the European Central Bank (ECB) and the national central banks, which together make up the Euro-system. The decisions on monetary policy in the euro area is centralised in which can only be taken by the governing council of the ECB.<sup>45</sup>

<sup>40</sup> Syed Munir Khasru, "What We've Achieved and The Challenges Ahead – 50 Years of ASEAN", *op.cit.*

<sup>41</sup> *Ibid.*

<sup>42</sup> European Commission, "Factsheet: Investment Plan Exceeds €500 billion Investment Target", [https://ec.europa.eu/commission/sites/beta-political/files/efsi-factsheet-june2020\\_en.pdf](https://ec.europa.eu/commission/sites/beta-political/files/efsi-factsheet-june2020_en.pdf), accessed on 6 September 2017.

<sup>43</sup> European Commission, "How the Economic and Monetary Union Works", [https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/economic-and-monetary-union/how-economic-and-monetary-union-works\\_en](https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/economic-and-monetary-union/how-economic-and-monetary-union-works_en), accessed on 23 December 2018.

<sup>44</sup> *Ibid.*

<sup>45</sup> *Ibid.*

In the case of ASEAN, however, there are much more complex political, ethnic, cultural, religious, and linguistic diversities among member states. Due to this complexity, the compliance of member states with its regional organization is still insufficient, particularly in regards to commitment to shared sovereignty which is one of the most important norms in the success of the European Union. Nonetheless, ASEAN already has its sights on a grander vision by establishing the ASEAN Community based on three pillars, the ASEAN Political-Security Community, the ASEAN Economic Community and the ASEAN Socio-Cultural Community. While ASEAN member states have yet to commit to a shared sovereignty, there are few signs that the Association is now ready to move forward and adopt stronger rules based norms to be more relevant in the international fora. For instance, the ASEAN Economic Community (AEC), a project aiming to create a regional single market, has few formal structures and mechanisms which are rooted from the shared sovereignty.

As ASEAN now begin to trudge along this path, it risks repeating the same mistakes made by the European Union in their integration project. At that time, citizens of EU Member States have long been forced to battle an identity crisis between being a European citizen or a citizen of a particular Member State. This is largely caused by the lack of communication between the founding fathers of the EU and its citizens. It had led to a feeling of dissociation amongst Europeans who consider the Union as being run by a set of political elites who fail to include the interests of ordinary citizens in its decisions. After citing a ASEAN Secretariat research which found that three out of four people lacked basic understanding of what ASEAN is, it should be noted that it is time ASEAN works on a regional community identity.<sup>46</sup>

This fact indicates that ASEAN is likely to repeat the same mistakes.

Although the two regional organizations might have different paths, parallels with mindful limitations can still be drawn between both organisations. In the process of pursuing a more codified and legalistic manner of regionalism, the European has taken quite a hit since the eurozone crisis and Brexit. On the other hand, ASEAN received its fair share of criticism following the way ASEAN handled the Rohingya humanitarian crisis. ASEAN's history is one factor to the region's stability, yet in the future ASEAN should not remain like the same ASEAN for the past 50 years. Following this evaluation, it should be noted that the Southeast Asia region must change in order to adjust to the current trend. It should be done based on ASEAN approach which aims to enhance the livelihood of ASEAN citizens.

#### **E. ASEAN REFORM TO NAVIGATE BRIGHTER FUTURE**

ASEAN and its Member States has its own uniqueness which is incomparable to other regional organizations, including European Union. Since 1975, ASEAN has made steady and continuous progress with many accomplishments particularly in regards to intra-regional trade and connectivity. But, now the world's economic conditions, in particular international trade, are tougher than they were. The global growth is sluggish and ASEAN countries could not afford slow economic growth. In order to stimulate regional economic growth, there are several shortfall that ASEAN have to tackle, including inconsistency between the aims, provisions, and the implementation toward the goal of ASEAN. ASEAN has to push towards economic growth and eventually improve ASEAN citizen's socio-economic welfare.

<sup>46</sup> Angaindrankumar Gnanasagaran, "ASEAN and the EU: Like Two Peas in the Same Pod?", *op.cit.*

One of the ways to achieve this economic development is through the ASEAN reform. Reform for these purposes identified as a significant policy change in order to improve socio-economic welfare consistent with the public interest.<sup>47</sup> Reform in terms of economics is defined as measures that increase productivity and growth rates, but indeed it could be redefined to incorporate non-economic objectives.<sup>48</sup> Moreover, reforms could also involve policy-making processes, namely a more transparent policy-making such as for a firm to claim special assistance it has to submit a process of public scrutiny and justification.<sup>49</sup> There are many forms of reform, which varied from large to incremental reform. A significant reform that majorly changes policy direction might sometimes accelerate growth. Asian examples of significant reform which are considered as turning points are the People's Republic of China (PRC) in 1978, India in 1991, Indonesia in 1966, and Viet Nam (and its two Indochina neighbours) in the late 1980s.<sup>50</sup> There is, however, an incremental change without significant reform introduced by a corrupt regime.

In order to fully implement successful reform, we need to understand one of the factors which is the drivers to reform. Firstly, the crisis hypothesis introduced by Lal and Myint, stated that turning points in economic policy are invariably associated with macroeconomic crises.<sup>51</sup> A major event might be helpful to trigger the community to demand a change such as a military threat, the cessation of external support, or a natural disaster. Obviously, however, we could not deny the fact that crises not only trigger major reforms but also institutional vacuum or even failed states. Secondly, an effective reform might require a coherent intellectual agenda, where ideas are a

central prerequisite.<sup>52</sup> Arguably, this kind of reform is slower under a democratic regime, it is likely to be more durable since the reform process will be consensus-driven, with greater attention paid to potential losers. Thirdly, convincing politicians of the case for reform is a key challenge. Political leaders by definition have short-term horizons and a political predisposition to favour a particular constituency. Fourthly, as noted, bureaucracy is a key actor. It may range from being a passive bystander to an active player in a negative or positive sense. Lastly, there are various conjectures concerning the impact of external actors and factors. In addition, the more successful reforms are invariably comprehensive.

Furthermore, the nature of reforms and their bureaucratic complexity are varied and should be utilized. A reform could be a straightforward and simple deregulations, for instance in a decision relating to exchange rate or tariff barriers, opening up an industry to compete, removing regulatory requirements, and rendering a particularly corrupt agency.<sup>53</sup> On the other hand, there are also other forms of reforms requiring a bureaucracy to implement them. One example of this form of reform is a tax reform to a more competent and honest administration namely simpler rates and incentive for compliance.<sup>54</sup> Several measures might go simultaneously entailing a different mix of interventions, for instance financial liberalization entails relaxed barriers to entry and less bureaucratic intervention in the operations of financial institutions.<sup>55</sup>

To begin with, for a successful reform, ASEAN has to develop a stronger sense of ASEAN-ness amongst its citizens. The Member States might already realize the similarities, commonness of the Member

<sup>47</sup> Ian Coxhead (Ed.), *Routledge Handbook of Southeast Asian Economics*, Oxford: Routledge, 2014, p. 15.

<sup>48</sup> *Ibid.*

<sup>49</sup> Hal Hill, "The Political Economy of Policy Reform: Insights from Southeast Asia", *Asian Development Bank*, 2013, p. 109.

<sup>50</sup> *Ibid.*, p. 110.

<sup>51</sup> Ian Coxhead (Ed.), *op.cit.*, p. 329.

<sup>52</sup> Ian Coxhead (Ed.), *op.cit.*, p. 329.

<sup>53</sup> Hal Hill, *op.cit.*

<sup>54</sup> *Ibid.*

<sup>55</sup> *Ibid.*

States. It has yet to achieve a strong internal bond and sense of belongings. One of the ways to reform the Association is to socialize the common interest. The common interests are crucial to the formation of strong regional cooperation and eventually economic integration. It does not necessarily encourage ASEAN Member States to put common interest above national interest, but encourage the Member States to start sharing economic interests and objectives.<sup>56</sup> In order to achieve this, the Association has to restore citizen's trust in ASEAN as a regional organization. But there is an intrinsic dilemma of reform that the cost is more immediate and concentrated and the benefit is more diffuse and long term, which makes it necessary to get quick wins to ensure political support. Therefore, the regional cooperation has to start slowly but impactful before tackling more complex issues. For instance, to achieve successful establishment of ASEAN Single Market, the Association needs to establish clear goals according to each Member States' stances and aims. Later on, ASEAN has to decide the priority to achieve its goal of economic development.

Rather than negotiating over how to lower trade barriers, instead intra-ASEAN negotiations could start from capacity building. It could establish acceptable politics to all Member States before it could be economically beneficial. As to the success of reform depends on political support rather than the merits of the reform, it is important to build political support. Following this reform, ASEAN should focus more on the new principle and provisions which govern the Association and each Member State has to commit to comply with the provisions. As internal conflicts and ethnic nationalism could cause Member States to focus inwards, which might pose a challenge to ASEAN's plans,

this bond between Member States is expected to reduce competition among Members. Following the strong internal bond, the sense of belongings will flow naturally. In the end, it will increase the economic significance of each Member State and promote each other's economic growth.

In this effort, ASEAN must focus toward inclusive policies and its citizens' interest. This includes providing access to education and training, access to cities, infrastructure and information technology. As the ASEAN Economic Community (AEC) in particular moves forward, it should better recognise the ways that economic development interacts with issues such as human rights and sustainability. Hence, ASEAN governments should provide adequate transition assistance for workers and areas of a country that find themselves on the losing side of technological change. Increasing competition, improving labour market efficiency, strengthening social protection policies, supporting up-skilling and removing barriers to growth are also ways in which ASEAN can be seen to be helpful to corporations, especially the micro, small, and medium Enterprises, as well as the labour force.<sup>57</sup> In addition, there has to be a surveillance system in the implementation of the established principle and provisions. Despite the gradual progress made in transforming policy paradigm among Member States, the project-based nature of the regional initiatives raises concern over their sustainability. For this reason, a well-established body is needed to do surveillance on ASEAN economic development and particularly on ASEAN Single Market.

Second, ASEAN is recommended to become more proactive and more prepared to quickly respond to issues at hand. To address the current megatrends, given their

<sup>56</sup> Shaun Naurine, *Explaining ASEAN: Regionalism in Southeast Asia*, United States of America: Lynne Rienner Publishers, 2002, p. 4.

<sup>57</sup> Simon S. C. Tay (Ed.) and Julia Puspawati Tijaja (Ed.), *Global Megatrends: Implication for the ASEAN Economic Community*, Jakarta: ASEAN Secretariat, 2017, p. 175.

complex and multidimensional characteristics, ASEAN would be advised to make efforts and build capacity to anticipate, analyse and open up dialogue on responses with key stakeholders. Such preparation is key to deal for the eventuality that a megatrend precipitates the need for an urgent response. Given the group's diversity and processes, ASEAN is better placed to respond to challenges when things have been thought through and deliberated, rather than being pressed when unprepared. The ASEAN Way of consensus decision-making might not be the most feasible way toward success since these days the world calls for more adaptable governance and regulations.

One way to take that approach is to strengthen the ASEAN Secretariat. It does not mean that ASEAN members cede sovereignty to the Secretariat, instead, most of the recommendations focused on the Secretariat's capacity and capability to monitor and measure the progress of ASEAN undertakings, whether in the economic or other spheres. This Secretariat could work as Sherpa system, the long established system of G7/G8 and the newer G20. The G20 Sherpa responsible to assist the international summit in developing an agenda whether directly or indirectly to tackle key strategic issues. This G20 Sherpa comprises highly qualified individuals who enjoy the trust of the different Leaders and report to them. Such a system allows the G20 to function efficiently with annually rotating organisers, despite the absences of a permanent secretariat. Under a similar system, ASEAN Sherpas, which could be facilitated by the ASEAN Secretariat, will be responsible for preparing substantive discussion notes to ensure that only key elements of these discussions will be discussed at the ASEAN meetings. Such steps are taken in order to ensure that the Secretariat has more capacity to reinforce its normative power in the region and therefore better serve ASEAN.

At present, ASEAN aims to be relevant and central to key issues facing the Asia-

Pacific. This is under pressure from increasing competition between major powers, therefore the call in specific policy changes and new practices is necessary; not only for the political and security issues but for the general standing of ASEAN. In addition to a stronger Secretariat, relevant ASEAN ministerial bodies should be empowered to convene necessary meetings and act swiftly and decisively. The relevant ASEAN ministerial body should be able to hold emergency meetings and not have to wait until the next scheduled meeting to come up with a collective response. ASEAN regional diplomacy needs to be shaped beyond dialogue facilitation, rather a strong commitment to the implementation of the reform and integration agendas embedded in ASEAN blueprints. In addition, ASEAN needs to ensure a robust monitoring system, a strong, coordinated, and effective institutional ecosystem that extends beyond ASEAN Secretariat and ASEAN bodies.

A third recommendation is to enhance ASEAN cooperation with other states in the international community, any major power and non-ASEAN partners. This cooperation is not limited to the flows of trade to investment but also could include politics and security issues of an interconnected region and world. ASEAN's international engagement is very much in line with one of the five main characteristics of the ASEAN Economic Community Blueprint 2025 (AEC Blueprint 2025), namely a Global ASEAN where the region could achieve the goal through global engagement and continues to promote active participation in global and regional fora. As to the ASEAN is not merely nor permanently a bystander, the Association must now prepare to take up global issues and a role in the global fora. ASEAN has the potential to be a significant influence in the emerging new world order, indeed, some could argue it already plays such a role.

ASEAN should convene meetings and respond to global trends in which ASEAN could present its common voice on strategic

global issues, which has been done to a certain extent. The fact that ASEAN annually hosts the East Asian Summit (EAS) and the ASEAN Regional Forum (ARF), in which countries' leaders meet to discuss strategic and security issues, evidently shows ASEAN's role in the international community. Besides, ASEAN also takes the lead in the ASEAN Defence Ministers' Meeting (ADMM-Plus) to tackle regional issues concerning defence mechanism, maritime security, and humanitarian assistance.<sup>58</sup> The cooperation might be in the form of a joint learning platform for officials to develop shared understandings about the challenges ahead to move towards a more global ASEAN. As the ASEAN is relatively new to economic integration, it might need few references to international standards of the areas of economic integration. Eventually, these efforts could help ASEAN fully be capable of interacting with global systems. In addition, ASEAN has to ensure that competing interests do not lead to a power play which could then form alliances and exclusive forums. The Association must take initiative to create synergies with major power in order to ensure that ASEAN-led meetings remain effective.<sup>59</sup>

Lastly, ASEAN needs to emphasise cross-cutting approaches to several issues so that the structures of the three pillars of its Community do not become isolated silos.<sup>60</sup> Following the operation of silo between these pillars to work on the disadvantage of economic integration, ASEAN should anticipate their economic integration. To boost the success of building an economic community in the region, collaboration between ASEAN Political-Security Community, ASEAN Socio-Cultural Community and the ASEAN Economic

Community could also be used as opportunities. Although the role of ASEAN Community Council and ASEAN Coordinating Council might need some adjustments to current practice, it could not be more highly emphasised. Innovative ways to address emerging, cross-cutting and cross-pillar issues should be explored. The need for cross-cutting approaches returns the focus to the ways in which ASEAN governments work, each at the national level, and also amongst themselves. The aforementioned approach would very much support the goals across the region and enable countries to take a holistic look at the implementation of its commitments to the region.<sup>61</sup>

ASEAN has provided guidelines related to cross-cutting measures which require collaboration with sectoral bodies from the ASEAN Political-Security Community and the ASEAN Economic Community Pillars.<sup>62</sup> An institutionalised cross-pillar and cross-sectoral coordination strategy shall be employed where the lead sectoral bodies and cooperating bodies will collaborate to develop their respective sectoral work plans in accordance to SMART (Specific, Measurable, Achievable, Realistic, and Time-bound).<sup>63</sup> According to ASEAN Socio-Cultural Community report, the implementation of ASCC Blueprint has been positively progressing as the mechanisms for cross-cutting issues have been established and are being mainstreamed into the government at the national level despite the challenges encountered.<sup>64</sup>

## F. CONCLUSION

Through its first 50 years, Association of Southeast Asian Nations (ASEAN) has already felt and sought to respond to wider

<sup>58</sup> *Ibid.*, p. 25.

<sup>59</sup> *Ibid.*

<sup>60</sup> *Ibid.*, p. 176.

<sup>61</sup> *Ibid.*

<sup>62</sup> ASEAN (Association of Southeast Asia Nations), *ASEAN 2025: Forging Ahead Together*, Jakarta: ASEAN Secretariat, 2015, p. 119.

<sup>63</sup> *Ibid.*

<sup>64</sup> ASEAN (Association of Southeast Asia Nations), "Mid-Term Review of the ASEAN Socio-Cultural Community Blueprint (2009-2015)", *Adopted by the ASEAN Leaders at the 23<sup>rd</sup> ASEAN Summit*, Brunei Darussalam, 10 October 2013, p. 1.

and global trends, such as the Cold War and the rise of China. In many of these situations, ASEAN has been able to play mostly a reactionary role, rather than seeing the possibilities of influencing trends more proactively. The Association used the ASEAN Way as a foundation to cope when faced with a problem. The principle has contributed to regional peace and stability but at the same time imposed a barrier to the economic development in the region. Taking into account the circumstances faced by ASEAN, we realize that there is inconsistency between the aims, the provisions, and the interpretation toward the goal of ASEAN. Particularly in economic sector, the principle of non-interference could obstruct the economic program, for example ASEAN Single Market. The action that has been taken also could not be fully implemented as it is not in line with the first and foremost principle of non-interference.

Compared to European Union (EU), ASEAN has very different circumstances. As both regional organizations have different backgrounds, ASEAN could not fully adopt how the EU thrives to success. Difference in Member States economic conditions, difference in ideology, also difference in history has to be taken into consideration in developing ASEAN economics. ASEAN's member states have not been prepared to be fully legally bound to the Organization and other member states in which EU member states have complied with. However, from the previous comparison, it is worth noting that collective interest, effective implementation, monitoring system, and coordination are crucial in regional organization. In terms of economic integration, ASEAN Member States are not fully ready to open themselves up and do significant reform. Allowing ASEAN Member States to intervene in other Member' affairs are probably led to failure. A structural reform is much easier said than done, therefore a combination of structural reform and the revitalization of regional cooperation might be a more feasible way forward.

The most important thing in achieving successful reform is to focus on intra-ASEAN affairs. It could be started by sharing common interests and developing a stronger sense of ASEAN-ness. Regional cooperation could then start slowly before solving more complex issues. Further, the Association could accommodate capacity building and political support rather than deciding on significant policy changes. To achieve this, Member States could join hands to promote citizens' interest. Last step that could be done to assist intra-ASEAN affairs is to provide surveillance and monitoring system. Second, due to the current global challenges, ASEAN are forced to become more proactive and more prepared to quickly respond to issues at hand. ASEAN are encouraged to develop a more effective and efficient decision-making system to replace the ASEAN Way of consensus decision. Thirdly, ASEAN should enhance international cooperation with other states, major power and non-ASEAN partners. The form of cooperation might be varied from hosting international meetings to making a joint learning platform to develop shared understandings. Lastly, in order to utilize the role of each pillar in the Association, ASEAN needs to further emphasise cross-cutting approaches. Although ASEAN has provided guidelines to accommodate cross-cutting approaches, it still requires an effective implementation and monitoring system to fully achieve the goals.

In conclusion, the ASEAN should commit to further develop the economy in the region and find the best way to promote the commitment. Taking into account the big picture of ASEAN collective identity, ASEAN Member States could together prioritize collective interest rather than the deeply rooted custom and so on. Through careful consideration and weighing options, ASEAN could decide the kind of action, whether it is a form of reform or any other form, which could achieve the goal of regional economic development.

## REFERENCES

## Books

ASEAN (Association of Southeast Asia Nations), *ASEAN 2025: Forging Ahead Together*, Jakarta: ASEAN Secretariat, 2015.

---

\_\_\_\_\_, *ASEAN Economic Community Blueprint*, Jakarta: ASEAN Secretariat, 2008.

---

\_\_\_\_\_, *ASEAN Economic Community 2015: Progress and Key Achievements*, Jakarta: ASEAN Secretariat, 2015.

---

\_\_\_\_\_, *ASEAN Economic Community Blueprint 2025*, Jakarta: ASEAN Secretariat, 2015.

ASEANstats (Statistics Division of the ASEAN Secretariat), *ASEAN Key Figures 2019*, Jakarta: ASEAN Secretariat, 2019.

Coxhead, Ian (Ed.), *Routledge Handbook of Southeast Asian Economics*, Oxford: Routledge, 2014.

Shaun Narine, *Explaining ASEAN: Regionalism in Southeast Asia*, United States of America: Lynne Rienner Publishers, 2002.

Tay, Simon S. C. (et.al), *Global Megatrends: Implication for the ASEAN Economic Community*, Jakarta: ASEAN Secretariat, 2017.

## Other Documents

ASEAN (Association of Southeast Asia Nations), "AEC Monitoring", <https://asean.org/asean-economic-community/aec-monitoring/>.

---

\_\_\_\_\_, "ASEAN Economic Community 2025 Consolidated Strategic Action Plan", *Endorsed by the AEM and AEC Council*, Philippines, 6 February 2017.

Bellamy, Alex J. (et.al), "The Responsibility to Protect in Southeast Asia: Between Non-Interference and Sovereignty as Responsibility", *The Pacific Review*, Vol. 24, No.2, 2011.

Berliner, Joshua, "Successful Regional Integration in the European Union Through Vision and Planning", *Thesis for Master's Degree at City University of New York*, New York, December 2015.

Busse, Nikolas, "Constructivism and Southeast Asian Security", *The Pacific Review*, Vol. 12, No. 1, 1999.

Dosch, Jörn "Southeast Asia: ASEAN and The Challenge of Regionalism", in *The New Global Politics of the Asia Pacific 2<sup>nd</sup> Edition*, compiled by M. K. CONNORS (et. al.), London: Routledge, 2011.

European Commission, "Applying EU Law", [https://ec.europa.eu/info/law/law-making-process/applying-eu-law\\_en](https://ec.europa.eu/info/law/law-making-process/applying-eu-law_en).

European Commission, "Disputes under Bilateral Trade Agreements", <https://ec.europa.eu/trade/policy/assessing-markets/dispute-settlement/bilateral-disputes/>.

European Commission, "Factsheet: Investment Plan Exceeds €500 billion investment target", [https://ec.europa.eu/commission/sites/beta-political/files/efsi-factsheet-june2020\\_en.pdf](https://ec.europa.eu/commission/sites/beta-political/files/efsi-factsheet-june2020_en.pdf).

European Commission, "How the Economic and Monetary Union Works", [https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/economic-and-monetary-union/how-economic-and-monetary-union-works\\_en](https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/economic-and-monetary-union/how-economic-and-monetary-union-works_en).

European Union, "The History of the European Union", [https://europa.eu/european-union/about-eu/history\\_en](https://europa.eu/european-union/about-eu/history_en).

Gnanasagaran, Angaindrankumar, "ASEAN and the EU: Like Two Peas in the Same Pod?", <https://theaseanpost.com/article/asean-and-eu-two-peas-same-pod>, accessed on 6 September 2017.

Goh, Gillian, "The 'ASEAN Way': Non-Intervention and ASEAN's Role in Conflict Management", *Stanford Journal of East Asian Affairs*, Vol. 3, No. 1.

- Hill, Hal, "The Political Economy of Policy Reform: Insights from Southeast Asia", *Asian Development Bank*, 2013.
- Jackson, Karl D., "Bureaucratic Polity: A Theoretical Framework for the Analysis of Power and Communications in Indonesia," in Karl D. Jackson and Lucien W. Pye, *Political Power and Communications in Indonesia*, Berkeley: University of California Press, 1978.
- Jetschke, Anja (et.al), "Decoupling Rhetoric and Practice: The Cultural Limits of ASEAN Cooperation", *The Pacific Review*, Vol. 22, No. 2, 2009.
- Jones, Lee, "ASEAN's Unchanged Melody? The Theory and Practice of 'Non-Interference' in Southeast Asia", *The Pacific Review*, Vol. 23, No. 4, 2010.
- Katsumata, Hiro, "Reconstruction of Diplomatic Norms in Southeast Asia: The Case For Strict Adherence to the ASEAN Way", *Contemporary Southeast Asia*, Vol. 25, No.1, 2003.
- Khasru, Syed Munir, "What We've Achieved and The Challenges Ahead – 50 Years of ASEAN",  
<https://www.weforum.org/agenda/2017/11/whats-weve-achieved-and-the-challenges-ahead-50-years-of-asean/>.

#### Legal Documents

- ASEAN Declaration (Bangkok Declaration)  
1967
- Treaty of Amity and Cooperation in  
Southeast Asia 1976