Keynote Address by YB Khairy Jamaluddin on ASEAN 50-50 - Projecting the Future of a Community - 22 May 2017, KL



- 1. First and foremost, I would like to commend ISIS Malaysia for organising the ASEAN 50 I 50 Symposium: Projecting the Future of a Community. Big anniversary, be it 10th, 25th, 50th or 100th, is momentous in a way that excites us for the brighter years ahead but even more so in asking us to take a breather and reflect on the colourful journey we've had so far.
- 2. 50 years ago, leaders from Malaysia, Indonesia, Philippines, Thailand and Singapore came together to put their signatures on a document inaugurating the Association of South East Asian Nations or ASEAN a grouping of five sovereign states bounding them to the ideals of peace and prosperity through regional cooperation. It was at a time where cold war was heating up in South East Asia presenting monumental challenges to members who were waking up to independence and dreamt of a nation well-built. Geographical location and fear of communism were the only glue that binds us. Historical bad blood, long running open conflicts, proxy to cold battles between each colonisers and the flaming desire for individual national glory were the precursors that led outsiders to forecast its failure, not dream for its success.
- 3. But our leaders then must have been very prescient for they have foreseen what others cannot even then imagine. 50 years later, ASEAN is thriving. Today, ASEAN is an organisation of 10 members with the admission of our brothers and sisters from Brunei, Cambodia, Laos, Myanmar and Vietnam, fulfilling the vision of her Founding Fathers, standing out to the world as a peaceful oasis for trade, investment and tourism. The ASEAN Way drove us forward, albeit criticism of its slowness, yet forward regardless while maintaining our cohesion despite the diversity of political interests, languages, cultures, races and many other markers.
- 4. The biggest question about ASEAN is no longer about when it will disintegrate but when will it dominate the global economy as it fulfils its potential. With that, the dream of our founding fathers lives.

Ladies and Gentlemen,

5. But what brought us here, might not bring us there. The economic structure has changed significantly, the threat of communist has dwindled down to the extent of non-existence, regional blocs have either stagnated in

progress or over progressing to the extent of breaking up and geopolitical dynamic revolving as some superpowers retreating domestically while others project their strength outwardly. We live in a far more uncertain world where Globalism and Nationalism are on a collision course. Global fault lines are converging, the celebration of diversity eschewed, globalism demonised, and free trade is pilloried. We are living in a different time.

- 6. The only way we can do justice to our founding fathers is by taking stock of the lessons we've learnt so we can make better decisions moving forward. The ASEAN Way does not mean business as usual, as the geographical and economic vulnerability of our region can only be turned into opportunity and not a threat if we project our future and diligently work towards it. One eye on the present, the other on the future only with that will the two points connect.
- 7. As we consolidate ASEAN's foothold on the geopolitical front despite the new world order or more aptly new world disorder, it is important that ASEAN remains united in the view of external superpowers. Each of us might have different geopolitical posturing, accomplished through various strategies in bilateral relationships and cooperations, but as a region, we must stand united as to benefit greatly from the changing geopolitical dynamic instead of being divided as the pawns of the superpowers. "The whole is greater than the sum of its parts".
- 8. The retreat of big powers such as the United States and the United Kingdom from the geopolitical scene complemented by the show of strength of China presented a starkly different field for ASEAN to manoeuvre in. The One Belt One Road initiative by China which will cut across 60 countries intending to more than double the annual trade to USD2.5 trillion within a decade fits the hunger of ASEAN countries for infrastructure investment and industrial development. ASEAN should take this opportunity and play a constructive role so that there will be minimal strategic dislocation in the region either real or imagined in the final act accession when China takes its seat at the table of great powers. The same goes for the rise of India who in time will claim her place at the same table with the old powers.
- 9. But as we welcome these much-needed investments that will benefit our ASEAN people greatly, it shall never be at the expense of us surrendering the respect we command as independent nations and the autonomy we hold as a free region. We must not lose credibility and be seen to be under the thumb of any powers, despite the temptation to break the pact for individual glory. Doing so will be a disservice to our founding fathers who in 1967 formed this association as a mean to combat external influences together.

Ladies and Gentlemen,

- 10. While we navigate the new landscape of geopolitics, it is pertinent that we relook at the bond that ties our countries together. The Asean Way, where we compromise and consens- and consult, where we prioritise consensus-based, non-conflictual way of addressing problems, was and still is the principle that binds us together. A slower progress without conflict is better than a rapid progress in one that, we believe. But it is not without its critics, who pointed out the missed opportunities and time wasted, as they called for deeper integration to expedite the fulfilment our collective potential.
- 11. Yet we have seen how the survival of European Union is now tentative, as the UK quit while the opinion polls in countries like Germany, France, Italy and Netherlands seemed to point towards the same direction. A supranational organisation such as the EU, where power is delegated to a central authority, might thrive at the time of economic boom but when the wheel is turned and people become parochial, it became the focal point of dissatisfaction and scepticism as per what we saw from middle-class England. It created a cause for rejectionism.
- 12. Having said that, do I think that the ASEAN Way is enough as we brave through another half century? No, it is not because our people have better expectation. The core spirit of this principle should remain the same, but we should evolve the way we go about it in reflecting the desire of our people.

13. Yes the ASEAN Way reflects the spirit of ASEAN Charter which says in Article 2(2)e: "Non-interference in the internal affairs of ASEAN Member States". But the charter also said in 2(2)i that we should have "respect for fundamental freedoms, the promotion and protection of human rights and the promotion of social justice". Hence Malaysia's decision to call out the inhumane treatment of the Rohingya in Myanmar might not strictly comply to the ASEAN Way of doing things, yet it leads the way in evolving the bond between us - a bond based on respect for our fellow ASEAN-ites, not only for ASEAN leaders. This should be the way forward, for us to be a region that not only strives for economic growth but sustainable and a happy way of life, viewed from within and outside the region.

Ladies and Gentlemen,

- 14. Another way we can evolve the ASEAN Way without choosing the EU route is by ensuring that our people feel and benefit economically from ASEAN integration. For far too long, ASEAN's cooperation is kept at the government-to-government, and then cascaded to business-to-business level. The first 50 years of ASEAN is about political stability, as our forefathers rightly envisioned. But the time is changing and the next 50 years of ASEAN will be about economic greatness.
- 15. The biggest challenge facing ASEAN moving forward economically is meeting the expectation of a whole new generation. The younger generation of ASEAN aspires to a better life, an ever-higher standard of living. Generally, they are better educated, they are more techs savvy and they believe in the benefits of ASEAN membership. The World Economic Forum's ASEAN Regional Strategy Group conducted an online survey of 24 000 respondents from Malaysia, Indonesia, Philippines, Singapore, Thailand and Vietnam. The respondents, mostly in the 16 to 22 age group, want an ASEAN that affect them positively. 90% have heard about ASEAN, 76% believes their national economy will fare better in ASEAN while 64% thinks that their job and career prospects will be enhanced through ASEAN.
- 16. Herein lies the challenge to meet the trust and the expectations in the next fifty years. We must strive to ensure ASEAN can become a catalyst for inclusive growth, better jobs, better education opportunities and investment in infrastructure that will result in ever-higher standard of living for this generation. Addressing the economic concern of people, especially the young ones, are key in building ASEAN's economic greatness.
- 17. ASEAN today is the 6th biggest economy in the world and the 3rd biggest in Asia. Yet, Intra-ASEAN trade is still at a dismal 25 % as compared to the EU figure of 63 % and NAFTA at nearly 50 %. In the same time that we are bringing down tariff barriers, we have seen in tandem our collective non-tariff measures going up from 1,634 measures in 2000 to 5,975 in 2015. These are in fact symptomatic to the various challenges we face in establishing a truly common market.
- 18. Now, why is this so? ASEAN as a region is a collection of two high-income nations (Singapore, Brunei), two upper middle-income nation (Thailand, Malaysia) and six lower middle-income countries. Yes, there is no lower income nation, but this disparity has presented us with its share of challenges. While we cooperate, we also compete. While there is an increase in the level of confidence, there are also lingering apprehensions about the wisdom of ever-closer integration. Addressing this disparity is key if we ever want to effect a truly single economic market.
- 19. And lastly, our strengthened economic cooperation should not only look at the problem of today but also the challenges of the future. As we embrace the decades post 2020 and welcome the fourth industrial revolution, many challenges lie ahead that can be better solved together as one united region, not separately as 10 competing nations. Millions of jobs in this region from Business Process Outsourcing to Manufacturing will be replaced by automation, robots will take our jobs in automotive and retail while more and more people will flood our urban centres in search for a better life. Our education system still incentivises memorising and regurgitating, a by-product of Asian culture that we live in, without much emphasis on educational skills of the future such as problem-solving, critical thinking and creativity. The world then will be different from the world

today – and ASEAN will not be spared from the effects.

20. Hence, it is critical that our countries get together in collectively placing ourselves in the right areas of these inevitable trends. Yes, each of our countries is more susceptible to different trends but ultimately, we are a region with a dream to be a single market with single production base. We should work together in finding the best education system that fits our culture right, or collectively invest in high-end technology like Aerospace and Artificial Intelligence and Nanotechnology, or shape the best method in reskilling and multiskilling our workforce to brace the impact of automation. As a region, we should also think ahead and find our collective domain expertise whether it is agriculture, tourism or halal industry, and then coordinate our resources and leverage our individual strengths. Yes choosing our domain expertise will give some countries better advantage than the other, but it will bring everyone forward. It is a win-win, regardless of small or big. The opposite might make ASEAN that region that never accomplishes its potential of economic greatness

Ladies and Gentlemen,

- 21. By way of conclusion, I want to share with you my Malaysian journey for the past 5 months. ASEAN reached its 50th year of formation in the same year that Malaysia charts our own future for the next three decades. Starting on January 19th in the oldest university in Malaysia, this country started a national conversation for the first time in our rich history where we ask Malaysians what they want for Malaysia in 2050. And since then, what started to me as an experiment became an invaluable lesson for many years to come.
- 22. I've meet tens of thousands of young Malaysians from every single state in this country in various dialogue sessions where they tell me what they want. I ask them questions, instead of the other way around, and they shared with me their honest aspiration for this country of theirs. Doctors, engineers and various other young professionals organised their own dialogues to gather aspirations from their fellow friends. People write to us, tweet to us, facebook us and draw for us in a collection of more than 33,000 aspirations in just five months. In the areas that I forecasted will be popular such as education and jobs, young people stood up and told me in detail how they think Malaysia can achieve it. Among those came many areas that I never thought will be extremely important to the young people of Malaysia from mentality to environment to arts to technology. They voiced out not only because they feel the government should achieve those aspirations for them, but because they want to work hand in hand with the government to achieve this collective aspirations.
- 23. And halfway through the youth engagement process of National Transformation 2050 or TN50, I learned 2 key lessons. One, never have I been this reassured that the future of Malaysia relies dominantly on these young Malaysians. Two, young Malaysians care about the future of Malaysia, if we engage them enough.
- 24. And the same goes to ASEAN. Future of ASEAN lies in our young people, but we have to make sure that they are engaged. Regardless of what the future global scene holds, be it another group of superpowers or new sets of jobs or a different kind of key commodities, our future will forever be bright if the young people of ASEAN have a sense of belonging to this 50-year old association.
- 25. And to do that, we need to engage them. They might tell us that they care as much about environmental preservation as they care about their jobs and education. They might tell us that they do not care for economic growth if that growth is without sustainability and equity. They might tell us that they want a united ASEAN above any other things or that human rights should be protected at all cost or that they want a freer movement of labour so they can work wherever they want in ASEAN. For all we know, they might want a more tangible identity of ASEAN, that goes independently but as strongly as their respective national identity.
- 26. We would not know what they want if we don't ask them. But more importantly, they will not care about ASEAN if we don't ask them their shared goal for this region. And if they do not care, we will be underutilising the strongest asset of ASEAN our people.

27. Our leaders have led ASEAN on a great journey for the past 50 years. The next 50 will be charted by every single young people of ASEAN. Thank you.

Source: Institute of Strategic and International Studies (ISIS) Malaysia

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