

Southeast Asia: Regionalism of the Commons vs the inviability of the ASEAN Economic Community project

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Some countries, as Vietnam, fear it, others, like Thailand, have high hopes - what can be expected of ASEAN's neo-liberal project? About its future perspectives and an alternative vision.

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By 31 December 2015, the targets and visions for a regional economic bloc through institutional reforms and state restructuring of individual member countries of the Association of Southeast Asian Nations (ASEAN) should have been realised to establish the ASEAN Economic Community (AEC). The ultimate regional integration goal of the AEC project is the convergence of 10 ASEAN member countries - Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam - towards a single market and production base operating within the principles of competitiveness and the rules of market capitalism for a freer flow of goods, services, money, investments, and labour. The regional integration process requires governments to observe both cooperation and competition. They need to cooperate with one another in institutionalising the rules of engagement in business transactions and, at the same time, compete with each other in making their respective economies attractive sites for investments.

In this last quarter of 2015, it has become conclusive that all key AEC commitments of national economies to adapt to the demands of the regional integration project for a common competitive market that is fully integrated into the global economy will not be met. The ASEAN Secretariat's monitoring mechanisms can honestly attest to this and will have to conclude the same in their final evaluation of the project. Business pundits from The Economist to the Financial Times have noted an assortment of political-economic and organisational constraints to the AEC process. ASEAN's partners from the business sector - in particular the ASEAN Business Club, composed of some of the big companies and family-owned corporations in the region - have also expressed their frustrations on the sluggishness of AEC implementation plans at both the national and regional levels.

The inviability of the AEC project

The explanations for the inviability of the AEC project at this juncture are complex and interdependent. First, the issue of the general public's awareness of the AEC, as well as the ASEAN

organisation itself, may have been overcome, to some extent, through creative advertisements over the years. However, such increasing awareness does not necessarily mean – or automatically translate into – public legitimacy of the AEC strategies and goals for the communities and peoples in the region.

Second, the Jakarta-based ASEAN Secretariat suffers from institutional deficiency, particularly in terms of inadequate funding and human resource personnel to effectively carry out an ambitious economic project. Third, there has been growing scepticism on free-market-oriented regional integration projects arising from the prolonged and intractable economic crises, and their adverse socio-political consequences, in the European Union (EU). The failing EU integration experience, and the threat of its disintegration, offers an opportunity for lesson-drawing and reflection on whether the EU's model of regionalism is suitable for the ASEAN community to emulate. Fourth, while at present there is virtually a tariff-free exchange of goods across nations, non-tariff barriers – ranging from the institutional issues to the historical differences – contribute to the practical complications of the convergence process. The crux is no longer about “free” trade based on zero tariffs, but on the diversity of regulatory rules and practices across nations where regulation is at the core of the function of states. Likewise, a variety of colonial legacies from Europe and the United States in specific Southeast Asian nations continue to influence divergent laws and legal codes within the region.

Lastly, a cogent explanation impeding the AEC process lies with the nature of domestic political economies in the region, in which the realpolitik of vested interests of local elites – forming domestic political-business alliances – takes precedence over the neo-liberalism ideology for regional integration. Central to the AEC goal is a capitalist “modernisation” project of sweeping away norms and institutions of oligarchy, protectionism, and crony capitalism embedded in the region's local economic and political structures. Most, if not all, countries in Southeast Asia have their respective political-business alliances, which are close-knit networks bound together by their common interests in the accumulation of wealth and power. This considerably explains the non-committal and non-compliant behaviour of ASEAN member countries to specific requirements of the AEC regional integration process that particularly go against their vested interests.

Neo-liberalism of the AEC versus protectionism of the oligarchies

Although proponents of the AEC from sections of the political and business elite classes have rhetorically admitted the imminent failure to meet the planned 2015 economic integration agenda, they are far from conceding defeat of the AEC as an elite and neo-liberal capitalist project. The AEC remains – and will remain post-2015 – the dominant discourse and vision for organising economies, politics, societies, communities, and ecology of Southeast Asia.

Neo-liberalism, which is the ideological foundation of the AEC, is a particular and essentially capitalist ideology, set of policies, accumulation processes, and state-capital class project that attempts to realise an open market economy and competitiveness at national and global levels through elitist and market-oriented macroeconomic policies, free trade, and socio-political institutional reforms. At the heart of its strategy to generate economic growth is the process of dispossessing the commons through the corporatisation of state and social institutions; the privatisation of collective societal and natural resources; the marketisation of social and human relations; the informalisation of labour and the economy as a whole; the commoditisation of welfare and social services; and the commodification of nature and human life. Though neo-liberalism has been increasingly discredited as an economic policy and development philosophy – not only due to recurrent and long-drawn-out economic crises in the epoch of globalisation since the 1990s, but

especially because of the persistence of privations of life and rising inequalities in the world – AEC proponents insist on its viability for the economies and peoples of Southeast Asia.

The deadline of 2015 is only emblematic of the protracted neo-liberal capitalist marketisation project of the particular faction of Southeast Asia's political-business elites, who have the ideological and, more importantly, the material interests in the creation of an enlarged and more liberalised common market for the region's 620 million peoples. Undeniably, some factions of the entrenched political-business elites in the region's national economies are opposed to the AEC, apparently because they have the vested interests in the maintenance of the status quo to protect their monopolistic businesses and oligarchic institutions.

Both these class projects – that is, the AEC of the neo-liberal socio-economic forces and the oligarchy of the entrenched local political-business alliances – are downright elitist, capitalist, or anything but democratic. Their visions for “the good life” at present and for the future systematically exclude the voices “from below” – the legitimate aspirations of, from, and for the labouring multitude, the peasant direct producers, indigenous peoples, and ordinary citizens. Nonetheless, the struggle for the socio-economic and political future of the region of Southeast Asia is not only fought between the neo-liberalism of the “modernising” transnational elites and the protectionism of “traditional” local elites. There exist, and there must be, democratic projects for alternative futures that are coordinated at the levels of the grassroots, states, and region. One of these most urgent progressive political-economic projects in Southeast Asia may be called a “regionalism of the commons”.

Regionalism of the commons

The “regionalism of the commons” is an alternative regionalisation process for the long-term, rooted in a sense of the community and humans living together from the bottom-up with peoples who are actively conscious of their shared rights, resources, aspirations, and responsibilities. Built on the principle of horizontal solidarity, the societies and peoples of Southeast Asia will have to collectively define, shape, map, and decide on the commons through local systems of governance – from the grassroots to the institutions of national governments – and coordinate at the regional scale.

The regionalism of the commons is an alternative vision and counter-movement to the established competing capitalist projects between the deep-rooted oligarchies in Southeast Asia and the emergent neo-liberalisation project of the AEC. It is a movement of peoples with collective consciousness and shared concerns in shaping the present and future of the socio-economy, ecology, and humanity. To this end, it will have to rethink, reflect, and act upon a number of fundamental economic and political principles to create and enable conditions, policies, institutions, and practices conducive to the process of realising an alternative regionalism project in the short-, medium-, and long-terms.

A first-order issue for rethinking development is the “mode of production” question, particularly on how to create wealth and value for the economy. It is often neglected in debates about the principle of social justice that production is the foundation of any redistributive goals. In other words, wealth and value have to be created first before they can be redistributed.

This alternative mode of production of the commons is – and will have to be – technologically feasible, economically sufficient, socially acceptable, politically doable, and ecologically sustainable. It understands the importance of synergy between the economic sectors of manufacturing, agriculture, services, and small-and-medium enterprises, and thus the synergism between urban and rural economic activities. The wealth created from economic production is redistributed to the whole society as rightful incomes for workers, reasonable earnings for enterprises, and a larger tax base

for government's social welfare provisions and entitlements. At the same time, it encourages the formation of sustainable communities and respects the life choices of individuals and communities to live and work alternatively.

The economic policy shift is needed

For the time being, when Southeast Asia is considered by some scientific studies to be the most vulnerable region to the dangers of climate change and ecological destruction, an economic policy shift is most urgently needed. The enduring growth obsession by the region's economies, in which economic policy objectives are focussed on ever increasing growth rates through foreign and local investments, are proven to be destructive to climate and ecology, as well as ineffective in resolving poverty and inequalities in the less-developed countries in the region. This must be replaced with economic strategies and goals of full employment and basic incomes, which can be made to work well for the health of the economy and the well-being of the environment.

Secondly, constructing an alternative mode of production will have to operate within a "democratisation" process. Democracy is understood here as people power at all levels of human relationship and organisation – from international and regional formations to states, workplaces, local communities, as well as the natural environment. The democratisation process in the regionalism of the commons project will progress with the ideal that democracy – rather than neo-liberal market forces or the political-business oligarchies – must be the driving mechanism in the governance and operation of the region's polities, economies, societies, and ecology.

Intra-regional relations in a democratising alternative regionalism project will not be based on the animal spirit of destructive competition. Rather, inter-national cooperation and cross-cultural relationships within the region of the commons will be founded on the values and practices of self-sufficiency, synergy, solidarity, equality, and social justice.

Democratisation is not in the AEC agenda, let alone an ASEAN regionalisation objective. The political-economic logic of the AEC regional integration project is for the diverse countries of Southeast Asia with different political regimes, levels of economic development, and cultural orientations to converge on neo-liberal capitalism as the overarching economic system. This means that neo-liberal capitalism can be made to operate within the political framework of authoritarianism. That is to say, neo-liberalism and capitalism can exist and thrive even without democracy.

Indeed, endeavouring to democratise the mostly non-democratic political economies and highly stratified societies of Southeast Asia is not easy and will be a long, painful struggle. But the morally intolerable realities in the region's non-democracies – from political repressions to economic inequalities and other social injustices – have in themselves their own transformative power and catalyst for change. The democratisation process is a struggle to be fought for by the collective. It does not envision a conflict-free utopia. Conflicts exist, and will exist even with the regionalism of the commons. But whenever there are conflicts, they will be resolved peacefully and just, always from the point of view of the public weal and in favour of the common good.

Finally, the crucial tasks of rethinking development with a different mode of production and setting in motion the democratisation process from the grassroots to the governmental and regional levels will be carried on by progressive "socio-political movements", which will have to initiate and sustain the regionalism of the commons project. These movements shall advance the ideals of the "social commons", which importantly are:

- a concept of participatory democracy where the people have the rights, access, influence, and power to the processes and institutions that make collective binding decisions;
- a democratic concept defending not only an individual's civil and political liberties but also peoples' collective socio-economic rights;
- a critique of the structural limitations of neo-liberalism's notion of "social protection", which is designed as a mere safety net or remedy for the inevitable harm and exclusions entailing neo-liberal capitalist strategies of accumulation;
- a transformative agenda to offset existing injustices in social, economic, and international relations; and
- an ecological thought that seriously reflects on how lives, communities, and socio-economic relations can be re-organised in ways that respect the natural and symbiotic relationship of nature with humans.

Yet, the most pressing endeavour for progressive movements at this historic moment is to not only talk about alternative futures, but to make tangible alternatives on the ground happen. They must bring to life the regionalism of the commons project through, in the first instance, creating the necessary social institutions and conditions, whereby alternative ways of sustainable economic systems of production and exchange, democratic socio-political relationships, and humane and green lifestyles could take root and flourish.

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P.S.

* "Southeast Asia: Regionalism of the Commons". From the Heinrich Böll Stiftung website:Automatic word wrap

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