

Asean a key stabilising factor amid big-power rivalry: Mahbubani

Region is set to be the 4th biggest economy in the world by 2050, buoyed partly by China and India

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ASEAN is an important stabilising factor amid tussles by bigger powers such as the United States and China, said Kishore Mahbubani, dean of the Lee Kuan Yew School of Public Policy at the National University of Singapore.

"If you want at least a small sturdy ship to protect you from this global

storm, keep Asean going," he said at a talk titled *Asean Miracle: Catalyst for Peace* at Maybank Kim Eng's Invest Asean 2017 Edition on Tuesday.

Prof Mahbubani had just released a book with a similar title on March 8, together with South-east Asia historian Jeffery Sng.

He said: "You can go anywhere in the world – there is no corner of the world which is as diverse as South-east Asia. To take the most diverse region on Planet Earth and make it peaceful is quite amazing. That's why Asean is a miracle."

He noted that Asean, which is celebrating its 50th anniversary in 2017, has been able to come together despite its differences and disputes with one another.

When asked how these differences can be resolved, Prof Mahbubani said: "You can never put aside all the differences. The genius of Asean is that they don't try to resolve the differences. We live with them and we manage them on a daily basis."

Fear, luck and golf have helped to make Asean possible.

Prof Mahbubani said: "It's genuine fear (of communism) that brought the countries together because the five founding states were all dominoes, and amazingly enough, the dominoes didn't fall."

The luck element was a combination of strong leadership and "a geopolitical accident which brought the US, China and Asean together in a tri-

angle" in the 1980s. He said: "That made Asean very strong because two great powers were supporting Asean very strongly in the 1980s."

Many issues have also been resolved through a game of golf, such as how the Asean Charter was concluded at record time, he added.

But danger awaits as US-China rivalry rises. Asean is the most vulnerable and could be caught in between, like a political football. He said: "It is important for Asean to stay out of this game. Thus, it will require some degree of wise leadership on the part of the Asean leaders."

Prof Mahbubani noted that Asean has amazing prospects and potential. "When combined, Asean is already

the seventh largest economy in the world. By 2050, it will be the fourth largest economy in the world."

With Asean gradually liberalising its market, there is more trade among the Asean countries, which will drive the region's growth, he said.

Its population is also growing and its two big neighbours, China and India, are growing 7 per cent a year, he noted. "They are like jet engines that will lift Asean up."

"By 2030 or so, Asean will have a very large middle-class population and that middle-class population will generate the internal demand within Asean. So if you are a businessman, you should be optimistic about the prospects of investing in Asean."

John Chong, chief executive of-

ficier of Maybank Kim Eng Group expects the Asean-6 (Singapore, Malaysia, Indonesia, the Philippines, Thailand and Vietnam) to grow by 4.8 per cent, picking up from the estimated 4.6 per cent in 2016, on the back of trade recovery, higher commodity prices and improved global electronics demand.

Mr Chong noted that intra-Asean trade in 2015 made up about 24 per cent of the region's total trade in goods, and it has remained relatively unchanged since 2007.

He said: "We strongly believe that Asean's resilience to geopolitical headwinds can be further bolstered by improving intra-Asean trade and strengthening connectivity within the region."