



Promoting People-Centered Development is Key to Improving Regional Resilience in Southeast Asia

By Him Raksmeay

Southeast Asia's overall economic development has been positive for the past few decades. However, there is a strong need for the region to invest more in its people to enhance its resilience.

Southeast Asia's economic growth has been strong in recent decades, thanks to relative regional peace as well as economic liberalization and reforms in many countries in the region. Southeast Asia, whose parts were once torn by wars and isolations, has positively transformed. With the combined Gross Domestic Product (GDP) about US\$3 trillion in 2020, the region is the fifth largest economy in the world.ⁱ

The dividends resulted from the positive economic growth have contributed to improving many lives in the region. Compared to a few decades ago, Southeast Asia in general has higher GDP per capita, lower poverty rates, and better standards of living.ⁱⁱ

Yet, this growth is not without challenges. There are difficulties for the economic gains to reach broad segments of the region's people. There has been a stark wealth gap between people in urban and rural areas.ⁱⁱⁱ While the region's poverty rate was reduced, people in many countries in the region continue to struggle to meet basic needs including quality education, healthcare and social safety net. While the regional poverty rates were reduced, how many stays just above the poverty line and how many lives paycheck-to-paycheck should be further scrutinized.^{iv} All of these are exacerbated by impacts of the COVID-19 pandemic that has wreaked havoc on the entire world and the Southeast Asian region since early 2020.

This present trend is not healthy for the region in the long run. Not only does it have negative implications for the future growth, it will also affect political stability and social resilience in the region. This worrying trend, if not managed properly, might lead to decreased public confidence on the current political and economic systems. Popular demands in many Southeast Asian countries might resort, constitutionally or non-constitutionally, to inward-looking leadership that favors more unilateral and protectionist approaches on national and regional issues, particularly on peace, free trade and the market system in the region.

Promoting people-centered developments is vital to further improve the region's resilience. Enhancing the region's system of growth distributions in investing on the people should be a key priority in the region, particularly countries that still have room for improvement in this respect.



Many governments in Southeast Asia should continue to work on expediting substantive governance reforms to deliver more concrete results to their respective public. While commitments and some actions are in place, they should continue to work in close partnership with relevant stakeholders, especially with the people, in order to overcome various obstacles to reforms, including improving public service deliveries, enhancing the merit-based system, and better managing vested interests.

The region should also invest more in its own people, especially on three key priorities such as education, healthcare and social safety net. Education-wise, more efforts should be put on modernizing respective education systems in the countries in the region, especially those that are economically emerging. More focus should be on lowering the cost of education, enhancing education quality from the basic to higher education, further aligning with 21st century skills, and improving the support system for educators. More attention should also be made to reduce gaps between the state of education in urban and rural areas.

Another priority is healthcare. Countries in the region should try to improve the quality of their respective healthcare services by reducing cost and enhancing people's living standards. Immediate attention should focus on professionalizing medical services to become more compassionate, taking into account the well-being of patients above other considerations. Equipping hospitals with state-of-the-art equipment is also essential for medical services to perform their tasks more effectively. Considerable efforts should be made to bring quality healthcare services closer to the people in both urban and rural areas.

Improving social safety net is equally important. COVID-19 has exposed limitations of the current social safety systems in many countries in Southeast Asia. The overarching impacts of the pandemic have all of a sudden left many people fall back into poverty without any savings or insurances to support their livelihood. While some efforts were put in place to support people during this hard time, including distributions of gifts and other basic needs such as handouts and food, most of the activities faced a lot of challenges and were only undertaken after COVID-19 hit. This provides a painstaking lesson for Southeast Asia. Therefore, there is an urgent need to prepare more workable approaches in providing social safety systems for the people to prepare for future pandemics and other external shocks.

Preparing holistic policies for the people's well-being in the region may not be helpful by completely relying on the free market. It requires some long-term strategic thinking and actions from governments in the region to craft their own way of having a more comprehensive social safety system to help their respective people. Immediate thinking should focus on how to find an acceptable balance between economic growth and spending on social welfare, what scopes of social welfare should be, how to make spending on social welfare efficient and effective, how to encourage more public saving to prepare for crises, and how to sustainably increase more governmental reserves to support people when government interventions are legitimately required.



There is a saying that states that sustainable development and sustained economic growth require “committed, credible and capable” governments.^v Many governments around the world including those in Southeast Asia have aspired, in their own ways, to become this type of governments. It is crucial that governments in Southeast Asia put those aspirations into real actions and approach people-centered developments in practice in order to further strengthen regional resilience.

While having positive economic growth and continuing to work to achieve sustainable growth are important for Southeast Asia, it is also equally important to have a more equitable distribution system such as providing quality education, quality healthcare and a strong social protection system to ensure gains from growth benefit broad segments of people in the region. This requires strong political willingness from all Southeast Asian governments to look at what they have done right and what should be done to further improve the status quo. They should also look at room for improvements to expedite substantial governance reforms. Whatever development models that the governments in Southeast Asia may approach or adapt, the main features of those models should place the well-being of their respective people in the top priority.

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ⁱ For more details, Read: ASEAN Secretariat. (December 2021). ASEAN Key Figures 2021. Retrieved from: <https://www.aseanstats.org/wp-content/uploads/2021/12/ASEAN-KEY-FIGURES-2021-FINAL-1.pdf>

ⁱⁱ Ibid.

ⁱⁱⁱ For more details, Read: United Nations Economic and Social Commission for Asia and the Pacific. (May 2018). *Inequality in Asia and the Pacific in the Era of the 2030 Agenda for Sustainable Development*. Retrieved from:

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^{iv} For more details, Read: José De Luna-Martínez. (3 February 2016). How to scale up financial inclusion in ASEAN countries.

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The ASEAN Post. (25 May 2018). Minimum Wage Across Southeast Asia. Retrieved from: <https://theaseanpost.com/article/minimum-wage-across-southeast-asia>

^v Discussions by experts during Workshop on “Economic Literacy for Non-Economists” on 23-27 May 2022, organized by the National Institute of Diplomacy and International Relations and the Australian Embassy in Cambodia. The author attended this workshop. For more details about the event, see:

https://www.facebook.com/permalink.php?story_fbid=pfbid02E6dcw4JGdFAXNHZ6UoDkfVvSRaj1KDvC3tZAMYhthbXQqHC6R1M1nkXohtSrAh3hl&id=934151236743136