

**Networking, Innovation,
Education, and Social Protection:
Building ASEAN Socio-Cultural Community
for the Future**

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Key Messages (1)

1. ONE ASEAN COMMUNITY: ASEAN@50 seems to be faced with a two-in, one-out problem (trilemma) in engaging stakeholders from government, markets, and communities *all at the same time* as it faces major issues in the chaotic 21st C.
 - a. When governments and social leaders discuss in the absence of the producers of economic goods and services, the financing part of income and wealth generation and networking of productive sectors (MSMES linking to large enterprises) may be neglected.
 - b. When social leaders and business enterprises dialogue in the absence of government, local feudal issues may surface at the expense of national interest involving the greater public.
 - c. When governments and business enterprises talk in the absence of civil society, concerns on social protection (through education and innovation) may not be given much prominence.

Key Messages (2)

2. ASEAN CITIZENSHIP: The ASEAN Socio-Cultural Community must now be consciously linked to the other pillars (Whole-of-Community approach) to effectively generate the sense of ASEAN citizenship through 2025. Only effective cross-pillar networks, combining market and government intents and resources for the common good, can deliver these.
 - a. ASEAN integration to the global value chain of Northeast Asia must factor in SME participation in large enterprise activities
 - b. Workplace-education-life outcomes connections must be reviewed as 21st C ASEAN citizens face more chaotic/ VUCA conditions
3. SOCIO-CULTURAL COMMUNITY ISSUES that need to be stressed through 2025 include (1) new skills for the 21st C, (2) social protection for those who cannot cope with the changing environments of politics, business and society, and (3) regional and public goods

Key Messages (3)

for (a) people in communities, (b) economic players serving enterprises that provide goods, employment and entrepreneurship, and (c) leaders in governance institutions at all levels.

4. INNOVATION IS THE KEY TO 21ST C SUSTAINABLE DEVELOPMENT for ASEAN. Humanistic education that focuses on how globalization and technology can work for the benefit of the wider population and can be innovatively designed in the different communities in ASEAN.
5. Their networks for innovation, education and social protection are key to understanding and solving problems of ASEAN through 2025 and beyond. Major ASEAN questions include consensus vs. veto power in the ASEAN way.

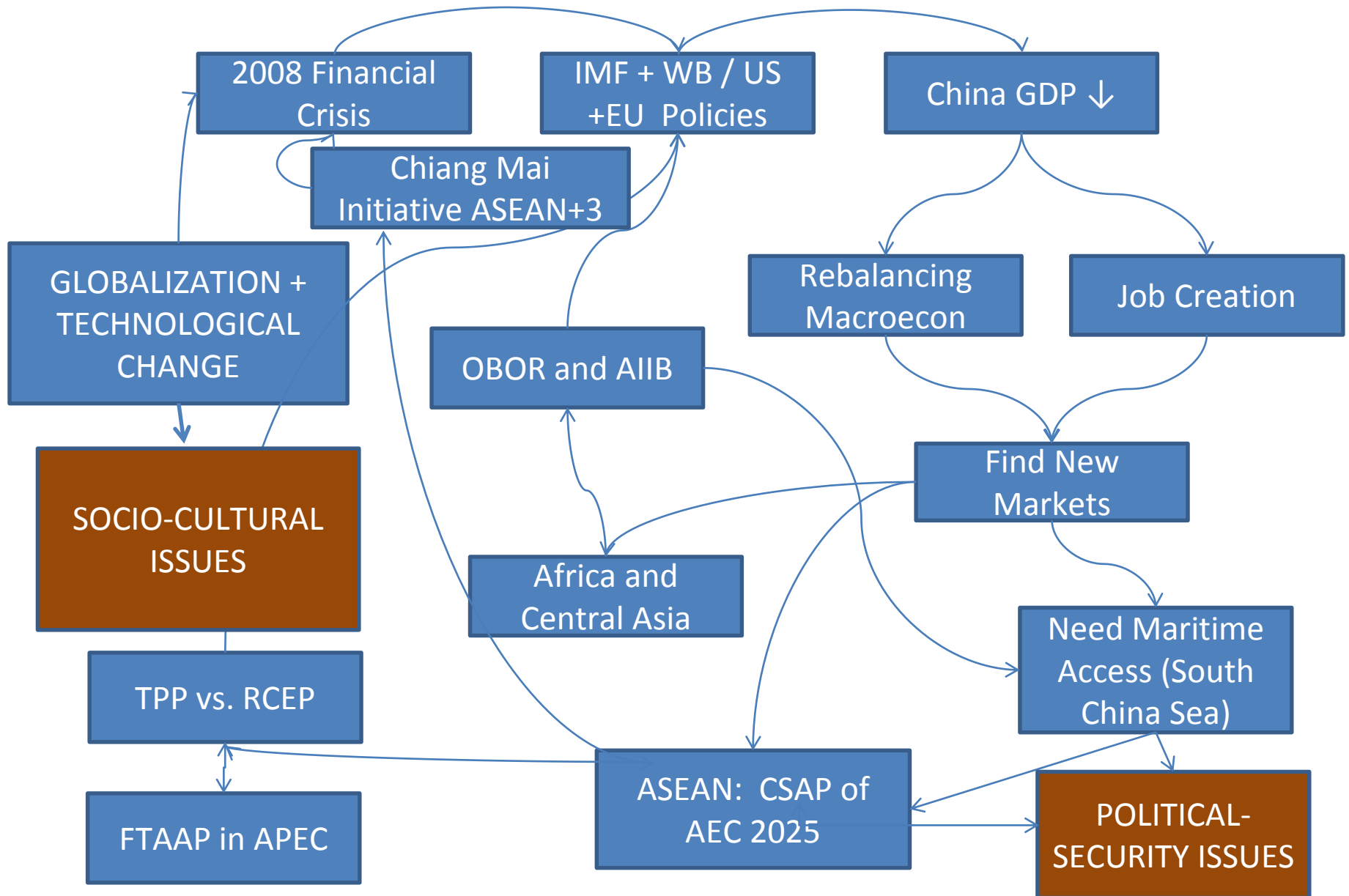
BUT....

Key Messages (4)

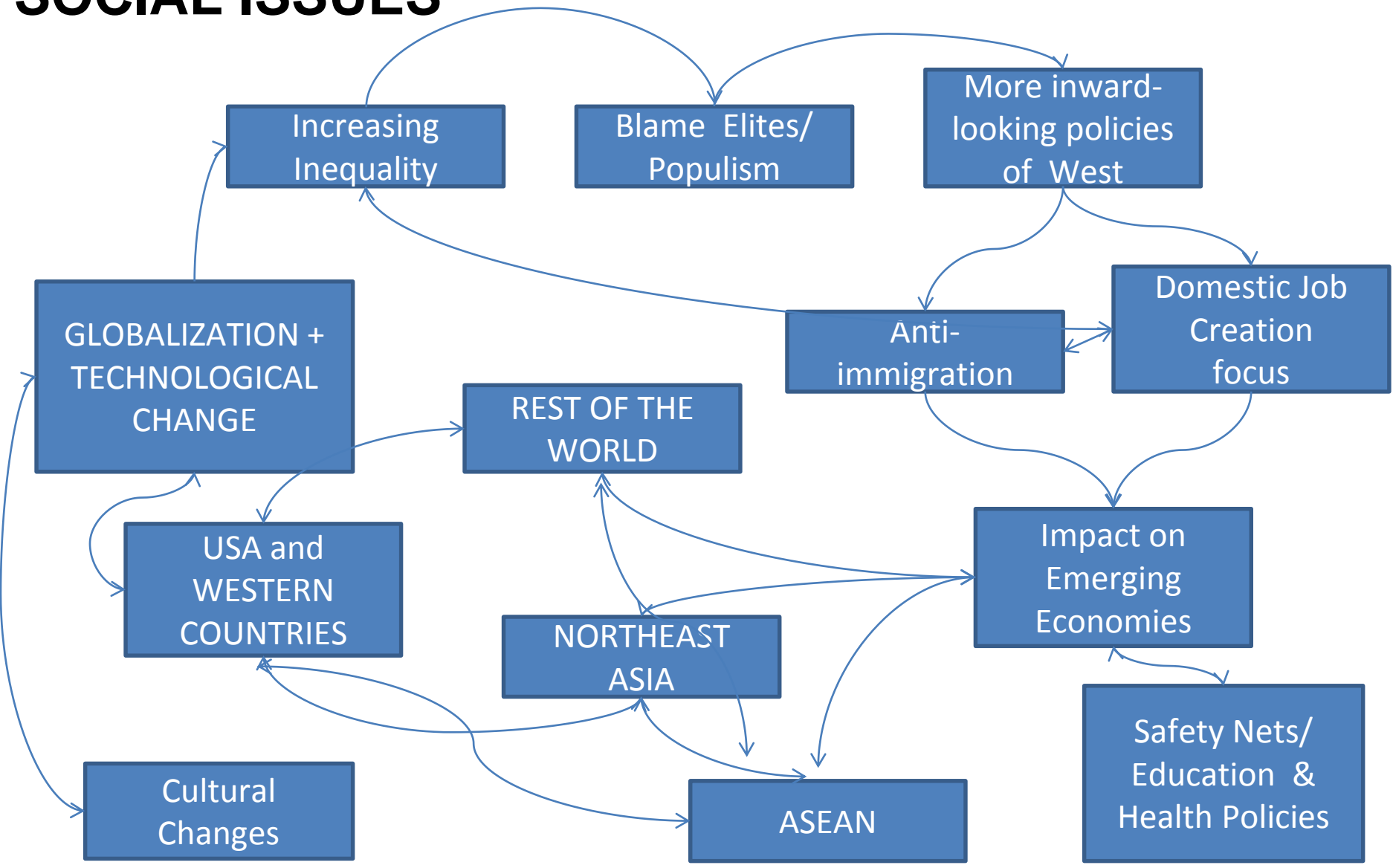
6. As we celebrate 50 years of ASEAN , the people's voices for the ASEAN Socio-Cultural Community must be elevated to the level of ASEAN Leaders and ASEAN Business Advisory Council for a true representation of the aspirations of the hoped-for ASEAN citizens of the future. This begins the trilateral stakeholder conversations for the peace, prosperity and stability ASEAN seeks.
 - a. The Whole-of-Community approach in ASEAN can then be implemented with the trilateral stakeholder engagements through various formal/informal processes,
 - b. Governance architectures suitable to various public goods can be made possible by networking at more granular level as in Communities of Practice in the ASEAN Innovation Network for Drugs, Vaccines, Diagnostics and Traditional, Medicine

**WHY DO WE NEED WHOLE-OF-
COMMUNITY APPROACH?**

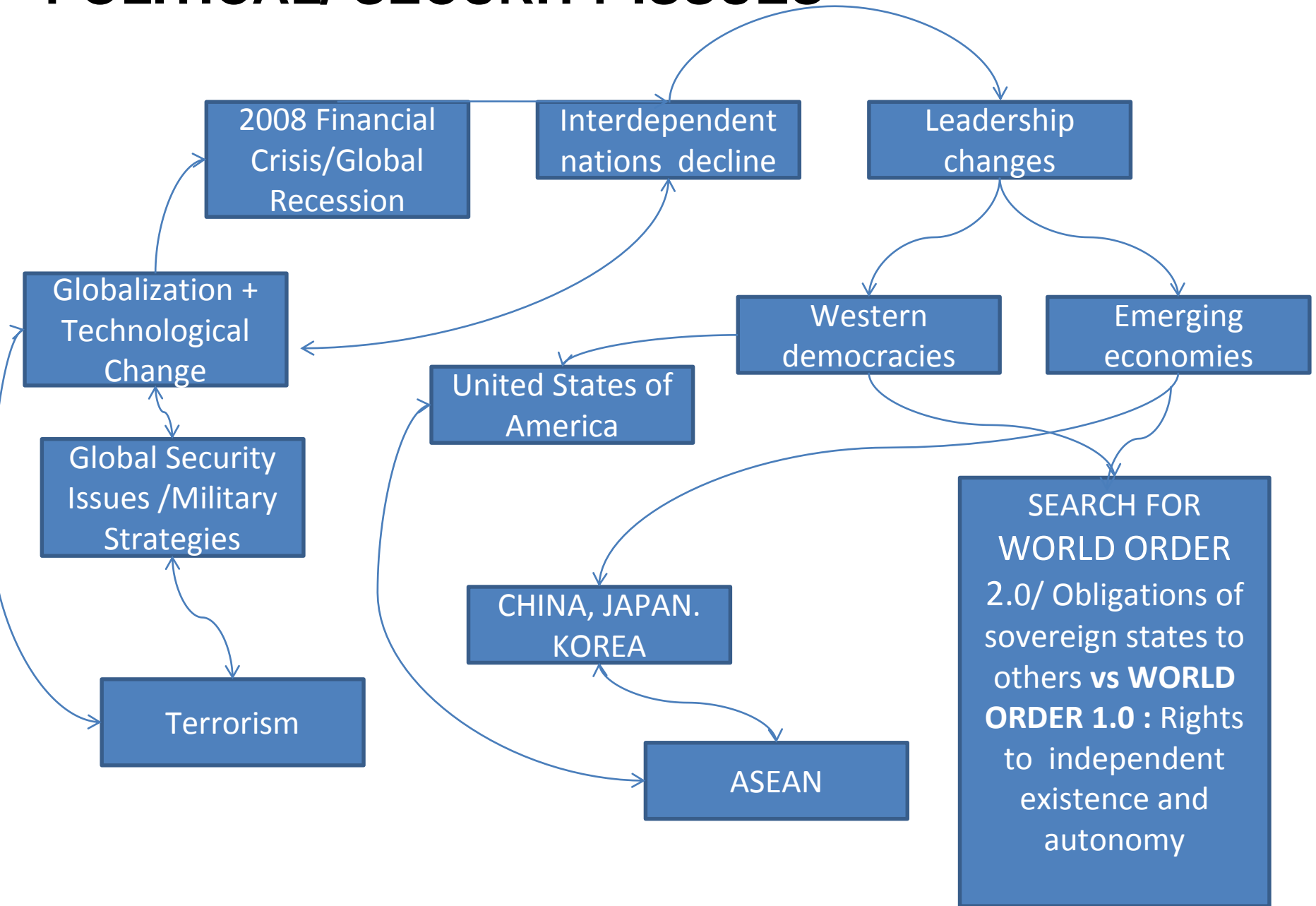
ECONOMIC ISSUES



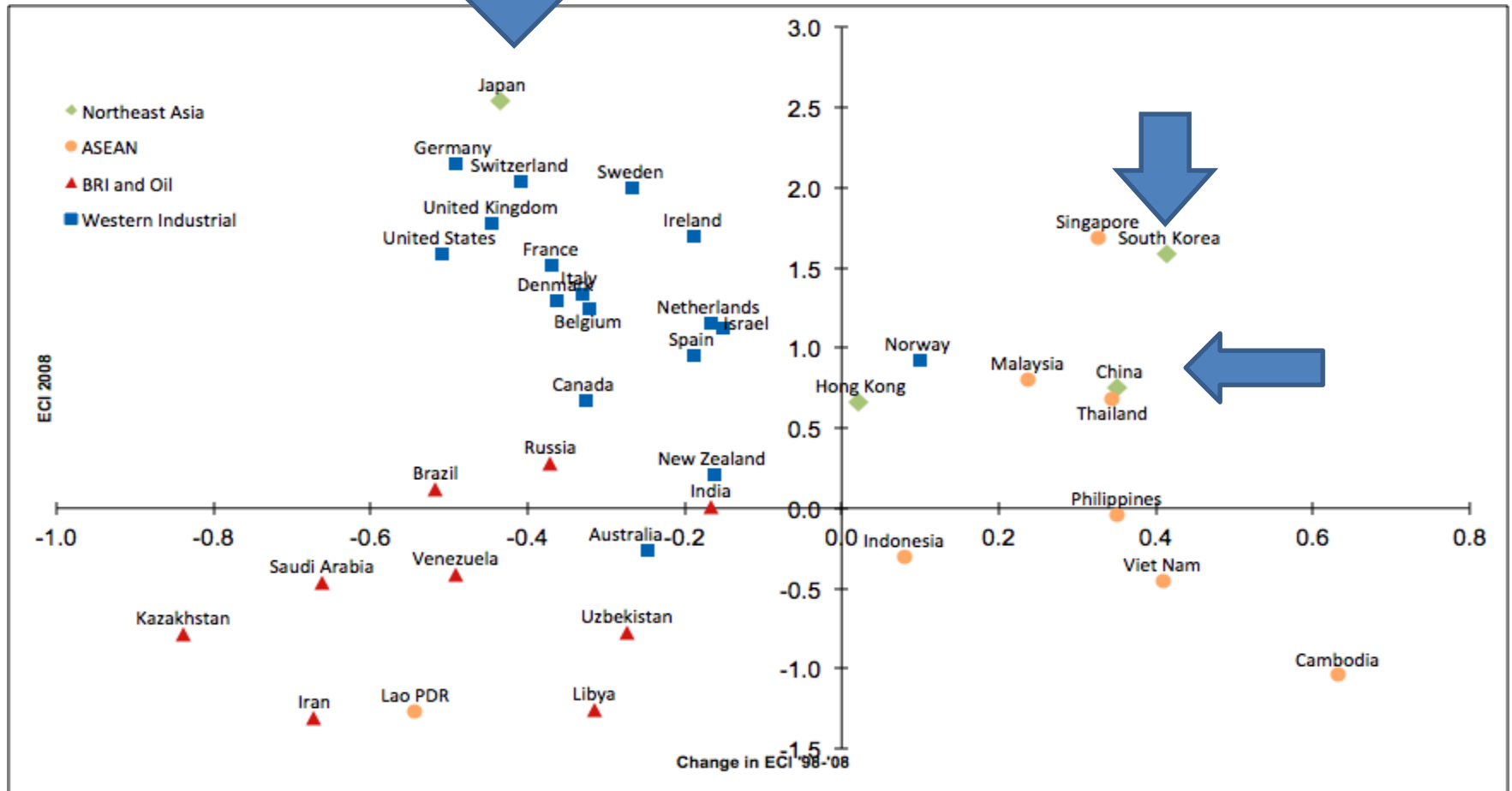
SOCIAL ISSUES



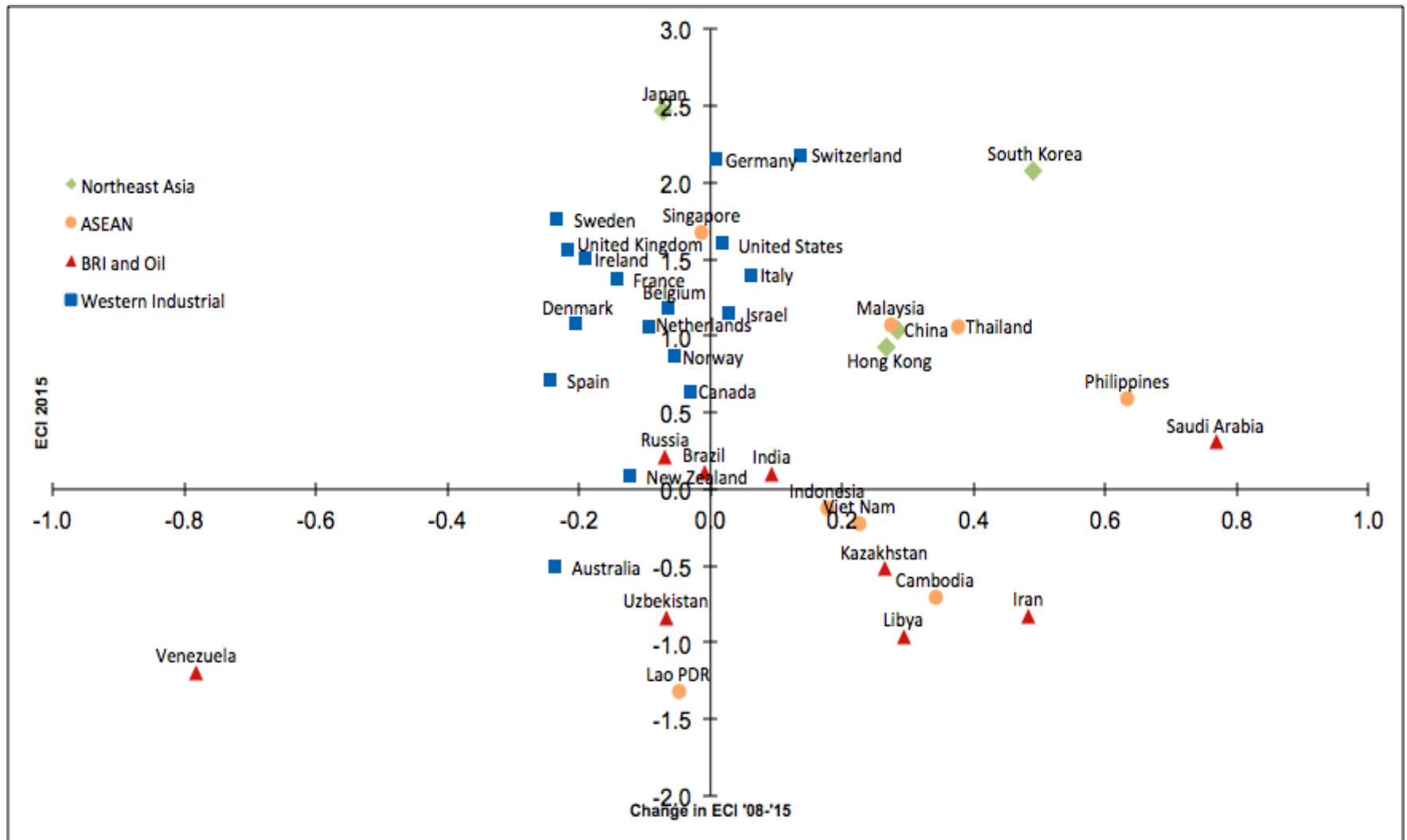
POLITICAL/ SECURITY ISSUES



ASEAN and Northeast Asia can grow together in the 21st C: Economic Complexity Indices (1998-2008 Changes & 2008 Levels)



ASEAN and Northeast Asia can grow together in the 21st C :Economic Complexity Indices (2008-15 Changes & 2015 Levels)



TRILEMMAS VS. ONE ASEAN COMMUNITY

Fig. I : ASEAN 21ST C. STAKEHOLDERS TRILEMMA

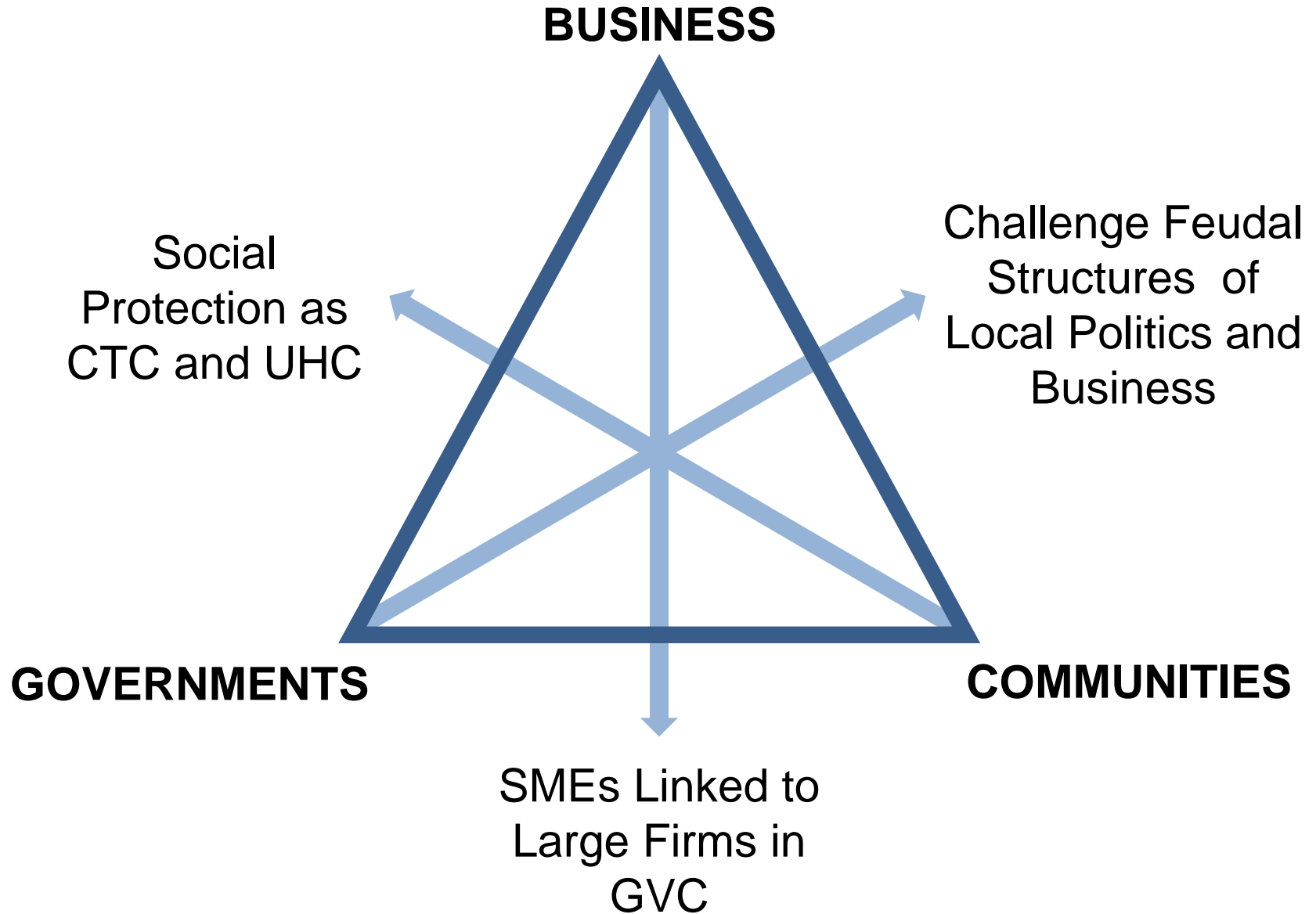


Fig.2: ASEAN 21ST C. ISSUES TRILEMMA

WHO

ASEAN Official
Champion ASEAN for
its People

**Focus on the
Global Public Good
Elements of
Regional Programs**

**Look for Those Who
See the 21st C
Differently: Strategic
Management**

WHAT

VUCA Situations
Facing ASEAN are
Factored (in its
vision/mission/progra
ms/projects)

HOW

ASEAN and
Dialogue Partners
Lead the Asia-
Pacific Century

**Identify Champions from
Outside Government**

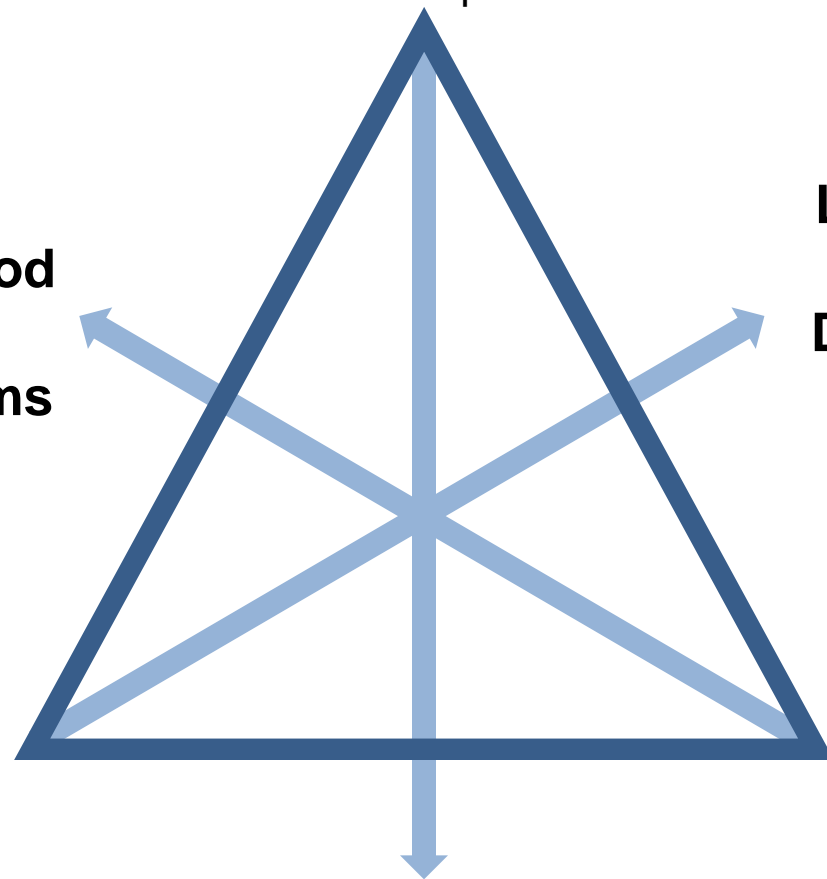
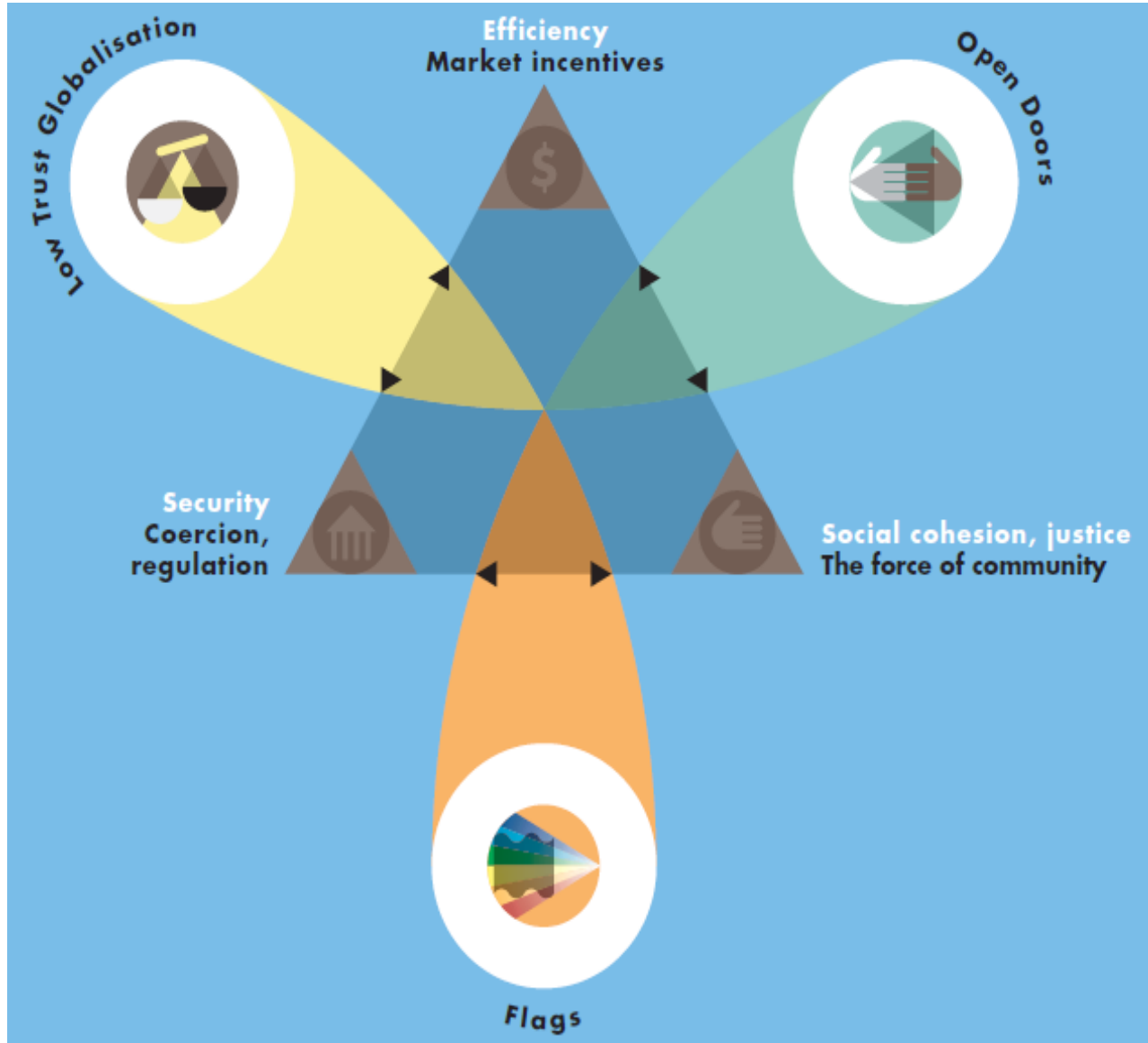


Fig. 3: Global Issues Trilemma Shaping ASEAN and Dialogue Partners

Coherent, contrasted business environments



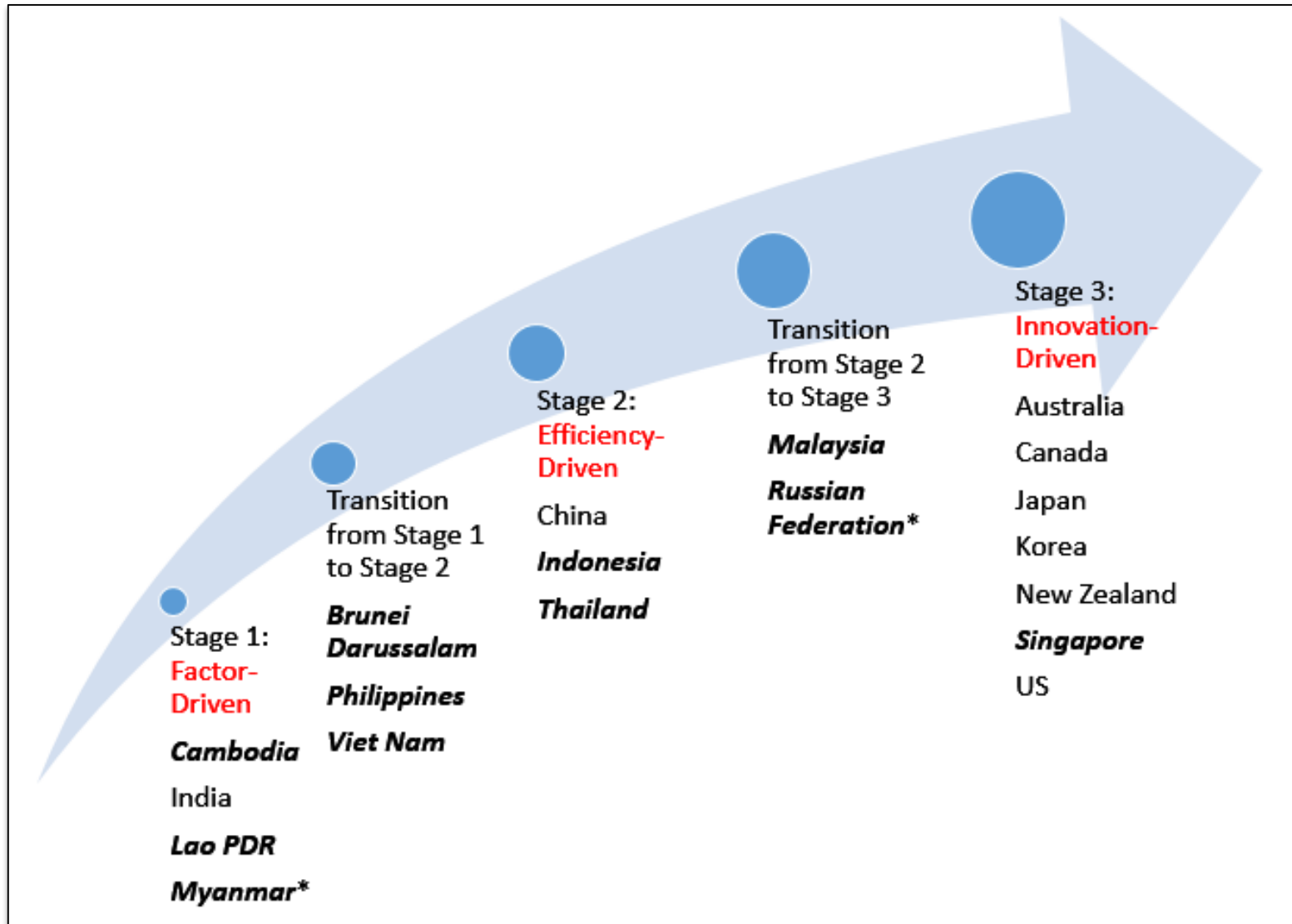
1. SECURITY : rule of law (ASEAN Charter implementation Hague Tribunal ruling on South China Sea. nontraditional issues)

2. CONSENSUS approach ; profits + people+ planet

3. MARKET incentives in Socialist vs. Democratic system

Source: Shell Planning Scenarios

ASEAN and Dialogue Partners are spread across various stages of development (CML+ BPV+ IT+ M + S)



Source of basic data: WEF World Competitiveness Report 2016-2017

*based from WEF World Competitiveness Report 2015-2016

INNOVATION IN ASEAN

Global context of innovation in ASEAN

- Innovation is elevated in the Association of Southeast Asian Nations (ASEAN) Socio-Cultural Community Blueprint (ASEAN, 2016) in the context of dynamism, as well as engagement and benefits for all – inclusivity, sustainability, and resiliency.
- Very much in a global community context -- education and health collaboration at the level of people, enterprises, and governance institutions.

Environment for innovation

- Innovation climates in developing countries are characterised by efficiency issues of poor business and governance conditions, low educational levels, and mediocre infrastructure
- Equity concerns cannot be discussed in the same framework as productivity-driven efficiency issues; the public goods and externalities frameworks are suitable for the former.
- The two are related: the World Bank emphasises that more equal countries result in healthier and more efficient economies.

More chaotic conditions → combined responses for Efficiency vs. Equity

In the 21st C world of VUCA, it is the combination of **strong institutions (networked)**, **human resource talent (education for S&T)**, and **innovation capacity** that makes any economy successful as it pursues **productivity, social development, and environmental stewardship** → tripartite stakeholder engagement from plans/designs to implementation

Table I: ASEAN Social Progress Indicators, 2015–16

Country	GDP PPP per capita	Social Progress Index	1	2	3	1-a	1-b	1-c	1-d
			Basic Human Needs	Foundations of Well-being	Opportunity	Nutrition and Basic Medical Care	Water and Sanitation	Shelter	Personal Safety
Singapore	78,958	ND	ND	ND	67.10	ND	100.00	92.31	89.21
Malaysia	24,460	70.08	88.45	73.31	48.48	97.24	94.48	87.06	75.02
Thailand	15,012	67.43	80.46	73.11	48.72	94.78	84.89	82.49	59.67
Indonesia	10,033	62.27	72.68	69.72	44.41	91.49	56.34	72.81	70.09
Philippines	6,649	65.92	69.94	72.02	55.81	87.52	71.43	63.71	57.10
Viet Nam	5,370	ND	78.15	ND	36.50	91.55	71.45	74.36	75.23
Lao PDR	5,076	52.54	65.84	56.93	34.85	78.61	56.74	51.93	76.07
Cambodia	3,113	54.28	59.14	64.23	39.46	86.48	45.44	44.26	60.39
*Brunei	--	--	--	--	--	--	--	--	--
Myanmar	--	49.84	63.11	55.94	30.47	82.89	56.36	47.04	66.14

Table I: ASEAN Social Progress Indicators, 2015–16

	2-a	2-b	2-c	2-d	3-a	3-b	3-c	3-d
Country	Access to Basic Knowledge	Access to Information and Communications	Health and Wellness	Environmental Quality	Personal Rights	Personal Freedom and Choice	Tolerance and Inclusion	Access to Advanced Education
Singapore	ND	77.69	78.14	82.90	49.07	82.59	66.33	70.43
Malaysia	88.39	75.00	63.14	66.71	32.52	60.84	45.72	54.84
Thailand	91.50	67.95	67.23	65.78	31.87	72.04	40.24	50.74
Indonesia	88.65	63.17	65.02	62.03	48.60	61.80	29.57	37.67
Philippines	89.94	68.74	60.53	68.85	53.74	67.14	54.53	47.83
Viet Nam	ND	58.78	76.28	58.20	8.24	65.09	44.25	28.42
Lao PDR	76.20	38.80	57.36	55.35	13.07	58.15	50.87	17.30
Cambodia	69.90	61.01	72.76	53.26	38.49	63.52	38.44	17.38
*Brunei	--	--	--	--	--	--	--	--
Myanmar	77.87	42.33	61.39	42.16	5.73	60.47	29.11	26.56

Factors Promoting Coopetition

- Coopetition succeeds:
 - in early stage development of inputs : **cooperate** in R&D as in new rice strains or affordable drugs, water conservation, 21st education needs; train human resources to develop skills and social capital for different industries; develop industry standards and governance principles; **compete** in price, quality, timeliness)
 - in later stages : **cooperate** in use of common platforms for production and distribution (economies of scale and scope), compete again in price, quality, timeliness;
- The SPI details interesting information on *basic* human needs. Singapore's status in water and sanitation has lessons for ASEAN; so does Cambodia's Phnom Penh Water Supply Authority story under Ek Sonn Chan

Innovation on Basic Needs Provision

- Some 44 weather-resilient rice varieties developed by the International Rice Research Institute (IRRI) in the Philippines (survives drought, flooding, salinity) have been released out of around a thousand improved rice varieties since its founding in 1960 → Bill and Melinda Gates Foundation now supports research on rice fortified by Vit.A
- Access to basic medical needs through the lowering prices of drugs, vaccines, traditional medicine, and diagnostics via an ASEAN innovation network was targeted only at the end of the first decade of the millennium.

EDUCATION AS DRIVER FOR REGIONAL INTEGRATION

Education as a driver of regional integration

- The factor vs. efficiency vs. innovation-driven growth among ASEAN members points to the need for rapid development of their human capital and workforce skills – which is at the heart of the Bologna process in the EU.
- A model for ASEAN integration through the educational system, as do Latin America and Africa, driving closer socio-cultural ties that make for more effective long-term integration

Open regionalism: mobility models in education

- It is obvious from the pace of work of ASEAN education and health ministers that more **liberal policies will take time to implement** in many member states as constitutions are amended, national laws are legislated and executed along varying sentiments through the business cycle and trend factors in economic growth
- For education, open regionalism means *provider mobility*, as well as *programme mobility*
- Asia–Pacific is acknowledged as the major global player for cross-border education
- Allow **foreign players in** the construction and management of health facilities including various **build-operate-transfer schemes**

Redesigning Systems

- **Learner-centered education systems:** In this light, education must be redesigned away from the industrial model of the last century into a network and ecosystem model that focuses on student-centered, collaborative, and ‘construction’ learning (Tapscott and Williams, 2010) similar to what corporate universities and company training programmes do (Findlay and Tierney, 2010).
- In the context of ASEAN 2025, the major goal should be *significant re-skilling in many job families* where value added is expected to be higher for both advanced and emerging economies

Global War for Talent

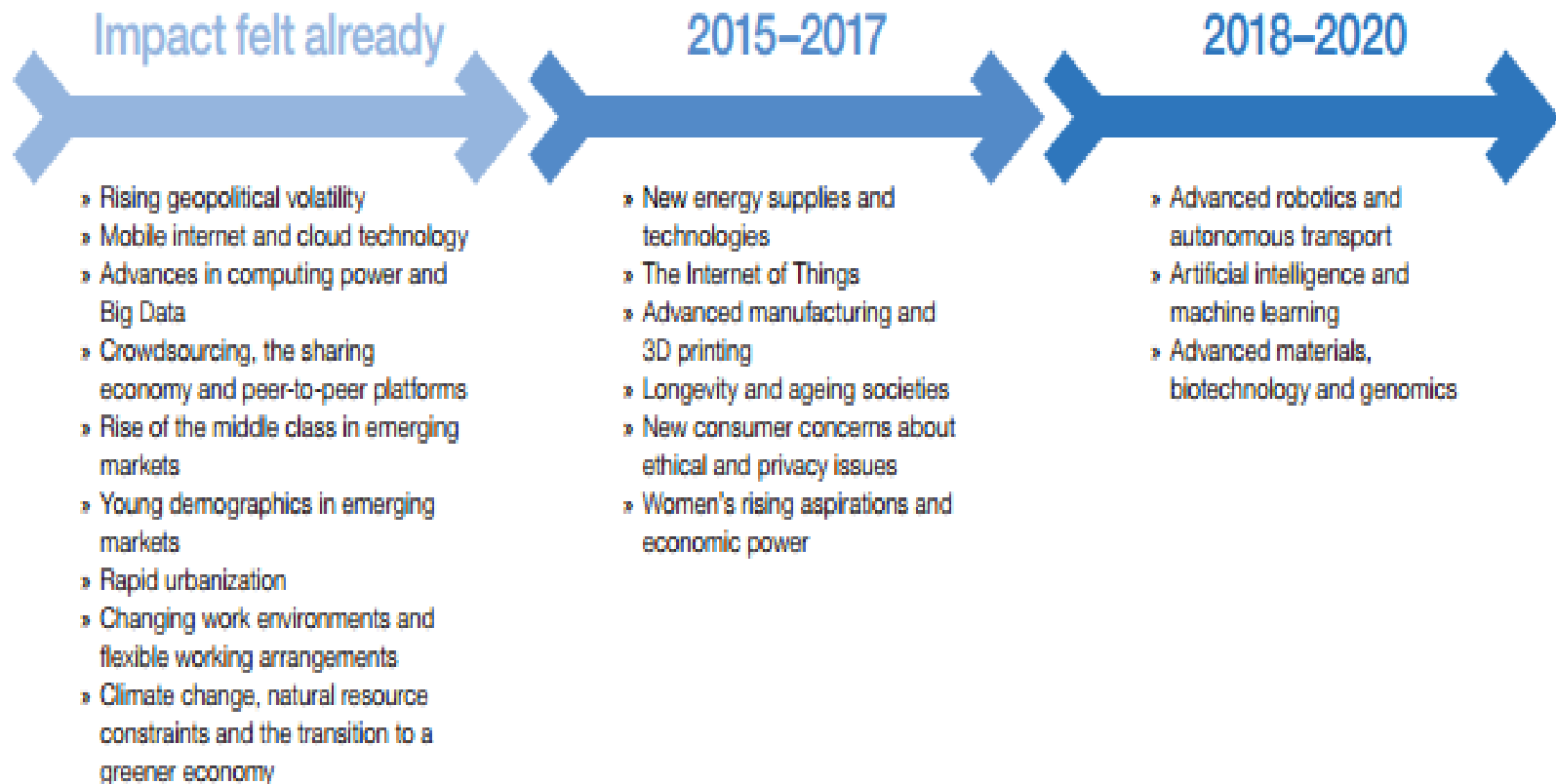
- ASEAN labour exporters' positions may be weakened because some immigration policies skim the best and the brightest human resources attached to international educational programmes.
- Movements of overseas talents are not yet properly monitored across member states, although the age of big data may change this with proper ASEAN leadership.

Responding to Employment Needs

- ASEAN's job growth areas are in transport and logistics; sales and related areas; management; and business, legal, and financial services.
- By 2020, recruitment in the region will be harder in consumer and professional services, particularly financial analysts, and even in mass employment areas of assembly and factory workers; it is less so in new and emerging areas of business services and administration managers (WEF, 2016).
- Globally, by 2020 recruitment will be harder in professional services (especially business and financial operations) where training in social skills is required more than in cognitive and complex problem solving skills. Computer science and mathematics (especially data analysts, software applications developers and analysts) where complex problem solving skills are specifically needed for information security analysts, while programming skills are needed for database and network professionals.

The Future of Jobs and Skills

Timeframe to impact industries, business models



The Future of Jobs and Skills

Immediate Focus

- Reinventing the HR Function
- Making Use of Data Analytics
- Talent diversity—no more excuses
- Leveraging flexible working arrangements and online talent platforms

Longer Term Focus

- Rethinking education systems
- Incentivizing lifelong learning
- Cross-industry and public-private collaboration

Open regionalism in Healthcare

- Fewer **restrictions on foreign ownership** in the healthcare sector in Cambodia, Lao PDR, Viet Nam, and Singapore than in the rest of ASEAN, the region in general suffers from lack of physicians and nurses, which constrains efficient delivery of hospital services
- **Mutual Recognition Agreements** in ASEAN for select health professionals → **slow pace** of local laws being amended, restrictions in practice of professions, etc.
- Review of the corresponding *financing issues* on national health insurance systems and **health maintenance organisations – portability, national treatment, etc.**

Job Skills Requirement in Healthcare

- Job skills will be required for 2020: *problem sensitivity* for regulatory and government occupations, *active learning* for associate professionals, and *critical thinking and management of financial resources* for sales and marketing professionals.
- Technological innovations will lead to *increased automation* of diagnosis, *personalised treatments*, and *redefined roles* of health practitioners as they translate and communicate data to patients.

Final Thought: Leadership issues

- **Who will champion ASEAN for its own peoples?** The leadership challenge of ASEAN in the 21st century, as the Trilemma suggests, is for its original inter-governmental focus to be supplemented by cross-business and cross-people approaches.
 - Reinvent ASEAN PEOPLE's ASSEMBLY ?
- The ASEAN context in the next decades require an **essence of leadership that is service-oriented, transformative, and even heroic.** This may not be found in one person. It may have to be **distributed.**

Maraming Salamat!