

Cooperation, Competition in Asia Pacific

By Tan Sri Rastam Mohd Isa



Universiti Malaysia Sabah students at the launch of the Transformasi Nasional 2050's (TN50) dialogue in Kota Kinabalu in February. TN50 will propel Malaysia towards becoming the 20th best nation in the World.

AS the year comes to a close, there is consensus, I believe, that numerous developments and challenges occurring in the global and regional strategic and political landscape have impacted nations, economies and societies to varying degrees. Dizzying changes are continuing in the economic, social and cultural spheres. In responding to these, governments, leaders and businesses have had to constantly adapt, change and innovate. Similarly, think-tanks like the Institute of Strategic and International Studies (ISIS) Malaysia are challenged to cope and keep up with those developments so as to remain relevant, respected and responsive.

A lot of attention has been focused on the Asia-Pacific region during the year. The Association of Southeast Asian Nations (Asean) commemorated its 50th anniversary and the celebrations culminated in the Asean and other related summits held in Manila, the Philippines, including the East Asia Summit. United States President Donald Trump made a visit to the region and pronounced his preference for an Indo-Pacific region at the Asia-Pacific Economic Cooperation (APEC) summit in Da Nang, Vietnam, while eleven countries, including Malaysia, worked hard to hammer out a last-minute agreement to salvage the Trans-Pacific Partnership (TPP), which he had abandoned.

The Chinese Communist Party held its 19th national congress where President Xi Jin Ping stated China's goals for the future as a global power. The situation in the Korean peninsula has remained tense arising from North Korea's stepped-up nuclear and ballistic missile tests leading to a lot of sabre-rattling and the imposition of further United Nations sanctions on Pyongyang. The situation in the South China Sea has been relatively calm with China and Asean agreeing to the framework for a code of conduct.

The siege of Marawi in the Philippines has raised the spectre of the rise of the Islamic State in Southeast Asia and the growing threat of terrorism and violent extremism in the region. The issue of the Rohingya in Rakhine State in Myanmar has once again hit the headlines since late August and it remains unclear whether a durable and just solution can be achieved.

The dynamics within the region are certainly changing. Competition between the US and China is evident and this is likely to intensify with Trump vigorously pursuing his "America First" policy and China pushing for its new interpretation of the future regional and global order. The other major powers, in particular Russia, India and Japan, are actively pursuing and protecting their own interests. Clearly, this situation would present greater challenges to the Asean countries individually and collectively.

The Asia Pacific is vast. It comprises many of the world's leading economies with a majority of the world's population. If the wider Indo-Pacific is brought into consideration, it would even be larger. While the leading economies are here, some of the fastest growing economies are also here.

Looking ahead, a number of studies and projections have shown that global economic power would continue to shift to the Asia-Pacific in the future with China becoming the world's leading economy by 2050. India would be second ahead of the US. Many of the other top twenty spots would be occupied by economies which are presently categorised as emerging economies, most of which are located in the Asia Pacific. Malaysia, which is presently developing a strategy and vision to propel the country towards becoming the 20th best nation in the world, would see its economy grow substantially but could be overtaken by some of its Asean neighbours. Indonesia could be the leading Asean economy by the mid-century.

The Transformasi Nasional 2050 (TN50) strategy that the Malaysian government is developing is unique to this country. But, other countries are developing their own vision and strategies for 2050. Such visions and strategies will be doomed to failure if adequate focus and emphasis are not given towards anticipating change and disruption brought about by technology, in particular digital technology, and meeting future challenges such as demography, climate change and competition for resources especially food, water and energy.

This would require serious transformation in education to ensure competitiveness in attracting talent, developing innovative skills and maintaining business edge. Asia Pacific governments and businesses are adapting to disruptive technology since it would have implications on the way countries trade and cooperate with one another. Accommodating the future requires a whole gamut of new laws and regulations on trade, investment, banking and cyber activities, to name a few. Dealing with these issues would require increased regional cooperation.

The Council for Security Cooperation in the Asia-Pacific (CSCAP) held its 48th Steering Committee meeting and 11th General Conference in Chiang Mai recently. Many of the abovementioned issues were discussed.

One major question that arose was whether the current regional security architecture would be adequate to deal with them. If not, would the region be ready for anything different than what is available now?

The year 2018 should prove to be interesting for the Asia-Pacific region. Several elections are in the offing, including in Malaysia. The region will be expected to lead the world in economic growth. The US-China competition is not likely to abate. Malaysia and the other Asean countries will have tough policy decisions to make as a result.

The present and future of this region must not be determined by competition and rivalry. In spite of the rise in anti-globalisation sentiments and protectionist tendencies, the future of the Asia Pacific has to be founded on wider and deeper cooperation among nations and peoples of the region. Asean is one of the building blocks, albeit a very important one, for a wider regional cooperative mechanism within the Asia-Pacific. Singapore will chair Asean next year and has promised to focus on resilience and innovation. We should look forward to a successful year for Asean.

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