## The ASEAN Socio-Cultural Community: How Best to achieve it? Paper presented to the 21st ASIA-PACIFIC ROUNTABLE Tuesday, 5 June 2007

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The ASEAN Community building has become the spotlights of the day; in this the ASEAN Socio-Cultural Community is categorized as third after the Security and Economic pillars. Overall efforts have been made by ASEAN member countries by convening many conferences to tackle related issues aiming at building a prosperous community. But still, to reach the final goal it is a long way to struggle due to the specificities and particularities of the region. It is required to handle with great deal of patience to build the ASEAN Socio-Cultural Community. This process can help add up to the Security and Economic principles to realize the vision of an ASEAN Community.

The region is diverse culturally and marked by serious discrepancies in economic development that varies from country to country. The income per capita of the old member is higher than the new one. This demonstrates that the wide gap exits among member countries while the region is trying to integrate. This setback prevents the advancement of the region from realizing its goals and poses a big challenge to the overall efforts although the commitment to the regional integration is strong.

As a new member of ASEAN, Laos still has many elements to readjust starting from the lack of high levels of skill man power (Human resource Development), technology leading to high productivity, poor infrastructure, and lack of financial sector that can provide capital at reasonable interest rates. As a small player, Laos has limited range of exports. The initial condition shows that Laos is still far from being integrated with the region even the will persists. For this reason, the disparity in regional development has costs the initiative of integration a great deal of patience. The globalization has more or less repercussion on national identity although it has negative impact on development such as loss of individual identity, and more importantly money has become the determinant of individual status and behavior.

For its part, Laos has carried out some concrete measures to implement appropriate domestic policies and has to readjust itself to benefit from trade and foreign investment aiming at approaching regional economic integration step by step. Despite some initial setbacks, the reform program has helped to stimulate real GDP growth rates at an average of 6.5% per year from 2000 up to now. Although the potential for sustained growth exists but the shortage of managerial and technical skills remain low. To strive to build up the human resource base would be able to undertake sustainable management of the development programme. Poverty reduction has become the focus of national development planning with the agro-industry and tourism, thus strengthening the social and environmental protection.

As a single land-locked country in South East Asia, Laos still hopes to enjoy the East-West corridor and the North-South corridor which will facilitate the trade, foreign investment, tourism and the likes. Other hidden potential that will contribute to the overall income in particular hydropower and minerals which have established the conditions to rapidly expand the exports which in return provide long-term stimulus to the domestic economy and create shared development.

To enhance the economic and social development, the endeavour to launch reform process through building up policy analysis and instituting institutional reforms has been carried out. The importance of strengthening human resource development and improving social sector service delivery has been materialized. The readjustment of the new environment is primarily important that is to implement the sanctity of the rule of law and regulation. Many laws have been adopted by the National Assembly in order to create new environment conducive to attract foreign investors and to protect their assets.

In order for the population to get secured in their daily life, the policy and regulatory framework have been carried out to conserve the environment aiming at improving the livelihood of the Lao people. Strengthening the rule of law in all areas and continuing policy reform is an integral part of the Government's commitment to improved governance. Ensuring efficient public service delivery through improved organizational structures and procedures, and creating productive and motivated professional civil service, adhering to high ethical standards is a top priority. Improved governance is an integral part of the Government's effort to strengthen the overall environment for growth and development.

Improvement in governance is directly linked to poverty reduction for limited public resources must be used effectively and efficiently in reaching out to help the poor. Importantly, in the transition to a more market-based economy, the system of decision-making must be more community based, transparent and accountable. For the past decade, the Government has embarked on wide-ranging public administration reforms, designed to create an effective, efficient and low-cost public administration, together with the requisite institutional and legal framework.

Despite these reforms, public administration still suffers from the duplication of mandates, insufficient co-ordination, inadequate management rules and procedures, and very low salaries. The latter in particular greatly weakens the ability of the public services to operate effectively. The Government is committed to strengthening the incentives for strong performance in all areas, especially in the delivery of basic services such as education and health care. It will continue to refine the organizational structure and role of government and enhance a framework conducive to further growth of all economic sectors, including the private one. Most importantly, the Government is committed to a system of governance that ensures stability and respect for the social, cultural and environmental interests for the multi-ethnic people. Only by ensuring stability and unity can Laos provide an efficient framework for economic growth with equity.

The National Growth and Poverty Eradication Strategy outlines a wide range of measures to strengthen the capacity of the Government at all levels to better fulfill its vital role. Among these measures are strengthening of the public service, especially the district level. The redefinition of central-local relations is an important initiative. By being more community-based, the Government expects that public services will be more responsive to community needs. The Government places great importance on strengthening dialogue between central and local authorities, the population at large, and social organizations. Administrative reforms to improve the functioning of the Government and the civil service will assist in strengthening accountability, transparency and ethical behaviour.

To help ensure that all citizens and particularly the poor and disadvantaged have effective legal rights, the Government will emphasize greater transparency of and access to the legal system. Of particular interest to rural people, a master plan for integrated land management is under preparation, highlighting community-led decision-making and resource allocation. Sound, accountable and transparent financial management is an integral part of the Government efforts to increase efficiency of public management and resource allocation.

Improved public service, realistically applied, requires increasing the knowledge, ability and qualifications of civil servants in accordance with short and long term needs. It is also required preventing negative social phenomena, to ensure that the country has a peaceful society and a stable political situation. And it is also required meeting the needs of the Lao multi-ethnic people in the most effective and efficient manner possible. Improved governance means, among other benefits that scare public resources, are not wasted in unnecessary procedures and costly expenses-that are borne with most difficulty by the poor.

Increased transparency and streamlined Government decision-making are necessary elements in improving the functioning of the public sector in Laos. Accordingly, the Government has established a Committee for Governance and Public Administration Reform, under the direct supervision of the Prime Minister. While the Government has no plans to fundamentally change the structure of the Government Organization, it is constantly striving to ensure that the lines of authority and division of responsibility best meet the needs of the country.

The Government is committed to ensuring that all people are equally treated before the law, and that all laws reflect the real needs and priorities of the peoples. The Government recognizes that not all people in the society have equal access to the knowledge of their legal rights and responsibilities. Further, some people need to be given special consideration.

The Government declared the establishment of the rule of law as high priority. The streamlining of the domestic legal order and implementation of the country's international obligations is an ongoing process as Laos integrates increasingly into regional and global communities in order to support the socio-economic transition and ensure access to justice for people.

The legal sector has been characterized by movement in the correct direction but at a very slow pace due to limited resources and little expertise. Much more remains to be done.

Some specific measures are needed to identify to assist the new member countries technically in terms of expertise for reaping benefits from integration. Economic interdependency should be based on trade channels although some say that trade integration will not reduce inequality. Capital markets are needed to be strong to provide effective response to members such as to improve merchandise trade expansion and quality, to expand intra-regional trade, to have access to international capital, technology and professional manpower markets in order to expand business opportunities abroad. The migration policy constitutes other income that the sending or the receiving countries can benefit from the remittances.

ASEAN as a team is seen to enjoy economic growth rate of more than 5% per year. But in reality, new member countries are lagging behind and will not be the leverage for regional economic growth unless otherwise they are full integrated in the process of complimentary. In this, I strongly believe that economic growth of a certain country or region will soon be spread out to the entire community. In other words, the increase of the richer class income would spread to the lower income class, and would lead to eradicate poverty namely in the low income countries.