The background of the slide is a dark grey rectangle with a white border. On the left and right sides, there are vertical panels with a complex, abstract pattern of blue and black wavy lines that resemble a stylized, flowing fabric or a topographical map. The main text is centered in the grey area.

WHAT LIES AHEAD FOR POLITICS IN ASEAN IN 2021?

Bridget Welsh, Ph.D

UNaRI, University of Nottingham Malaysia

Presentation for Credit Suisse January 5, 2021

Looking Back, Looking Ahead

- Selected key developments and observations of 2020 in ASEAN
- Trends and flashpoints ahead for 2021 in ASEAN
- *Right – Malaysia's February 'Sheraton Move' – Power Grab Political Transition*



2020 – Mixed Political Year for Incumbents

Political Survival

- Reelection PAP Singapore & NLD Myanmar
- Holding On Post –February Sheraton Move PN Held On Malaysia/ Mass protests Thailand Prayut Survived
- Unchallenged Weakness: Indonesia, Philippines, Cambodia, Brunei and Laos
- Triumphant: Vietnam



Political Exposure

Inadequate/Uneven Competency: Indonesia, Philippines, Malaysia, Cambodia, Myanmar

Weak Health Systems: Indonesia, Myanmar and Cambodia

Bureaucratic Strength: Vietnam and Singapore

Democratic Contractions: Thailand, Vietnam, Philippines and Malaysia

Covid -19 Winners, Losers and Losing

- Indonesia, Philippines Myanmar and Malaysia highest cases
- Deaths highest where highest cases, increasing in last few months
- Numbers reflect testing and health care systems
- Low testing, except in Singapore and Brunei
- Winners Vietnam and Thailand, Losers Indonesia, Philippines, Myanmar and Malaysia.
- Losing Everyone

	Cases	Deaths	Cases per million Testing	
Indonesia	772,103	22,911	2,881	4,992,303
Philippines	478,761	9,263	4,564	6,834,136
Myanmar	126,345	2,728	2,367	1,351,918
Malaysia	120,818	501	3,872	3,317,646
Singapore	58,721	29	10,463	5,426,351
Thailand	8,439	65	122	981,122
Vietnam	1,497	35	16	1,469,955
Cambodia	382	0	24	150,000
Brunei	172	3	401	80,258
Laos	41	0	6	93,204
Timor Leste	49	0	37	16,885

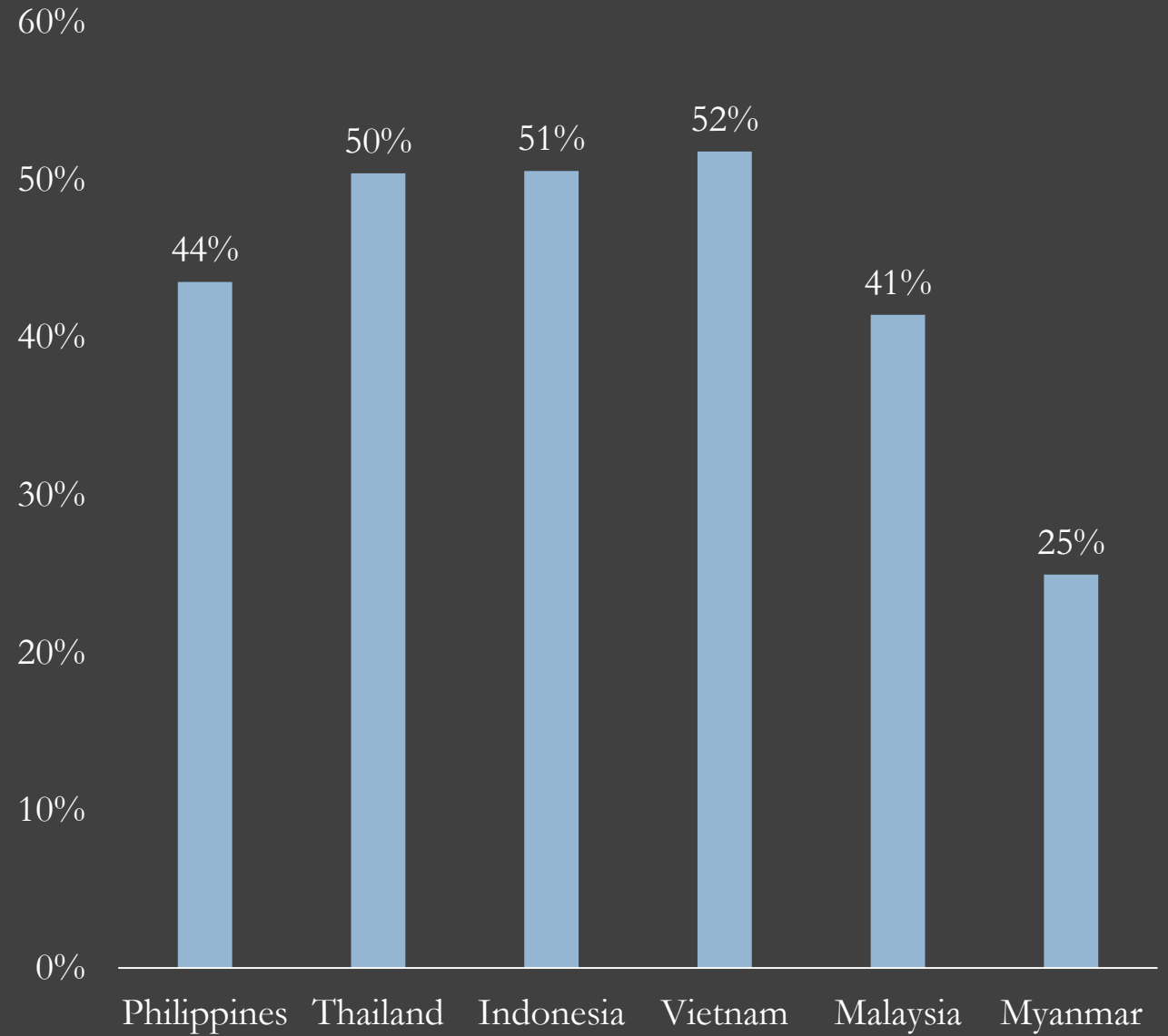
Source: CSIS Southeast Asia. Data as of 1/4/2020

Widening Inequalities, Inadequate Social Safety Nets

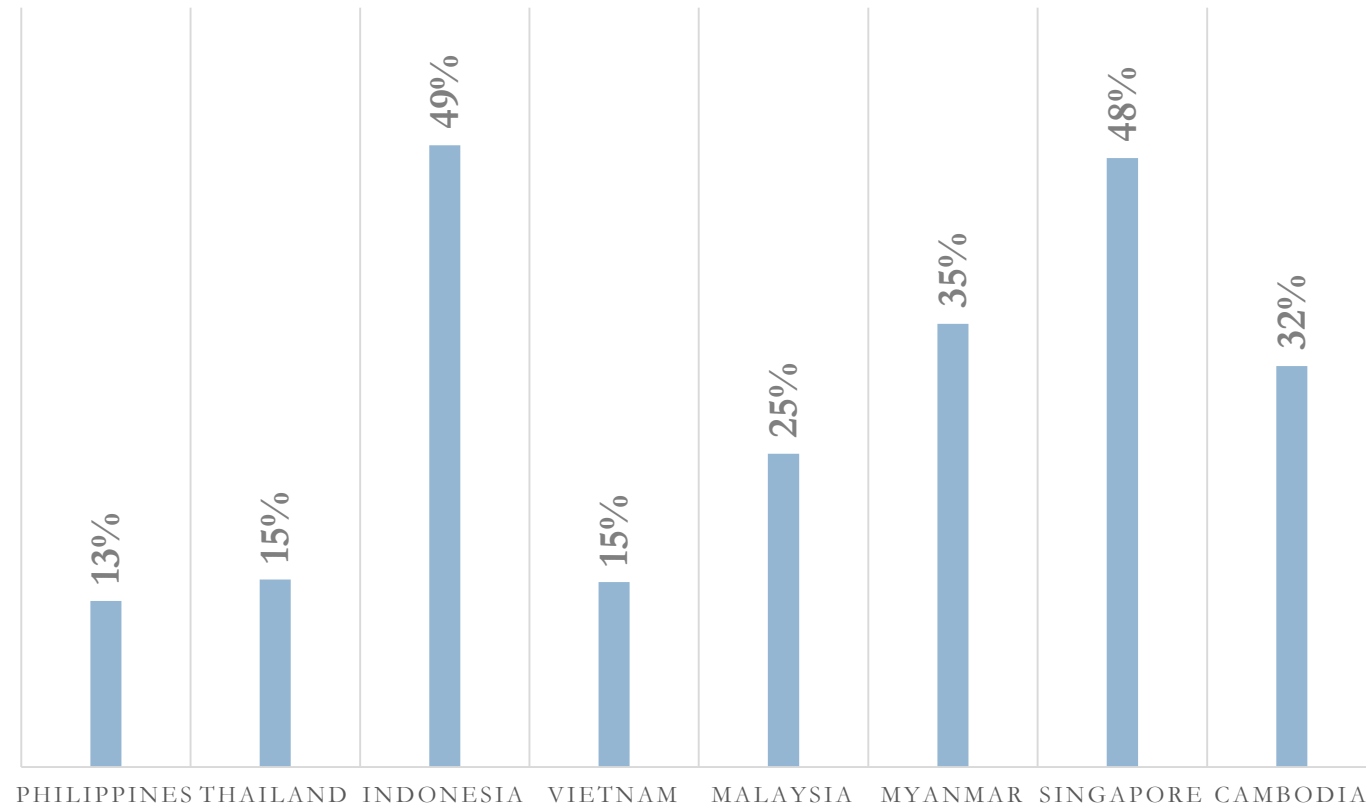
- Sharp widening of inequalities – along different spectrums, e.g. access to learning, job security
- Unprecedented rise of unemployment Southeast Asia, concentrated among youth
- Test of social safety nets of health care. Sharp rise in vulnerable groups and contraction of middle class.
- Reactive politics, reliant on cash transfers



UNFAIR
INCOME
DISTRIBUTION (ABS5)



SOCIAL TRUST CROSS-NATIONAL COMPARISON (ABS5)



Competency and Trust

Test of governance and
policy implementation.
Weak state capacity

Institutional and social
trust have been crucial for
policy effectiveness and
tied to social resilience



Political Polarization

Polarization and Xenophobia

- Erosion of middle ground, sharpening political divides tied to old fault lines
- Rise in nationalism and scapegoating of migrant labor





RESILIENCE, CYNICISM AND RISE OF LOCAL ACTIVISM

“Government does not know best”

“Kill the politicians”

Civic Mindedness

Increase in philanthropy and local
engagement

Rise of Youth Movements, Aging Demographic

- Student protests in Thailand, Indonesia and Myanmar.
- Emergence of youth movements, idealism and pragmatism
- Stark exposure of aging demographics, higher revenue burden and costs of young





ASEAN and Nationalism

- Vietnam worked to resuscitate ASEAN. Dialogue and platforms for sharing ideas.
- Limits of cooperation with nationalist policies and frameworks
- Foreign policy secondary priority. Bilateral relationships also quietly eroded across regions, including among friends.

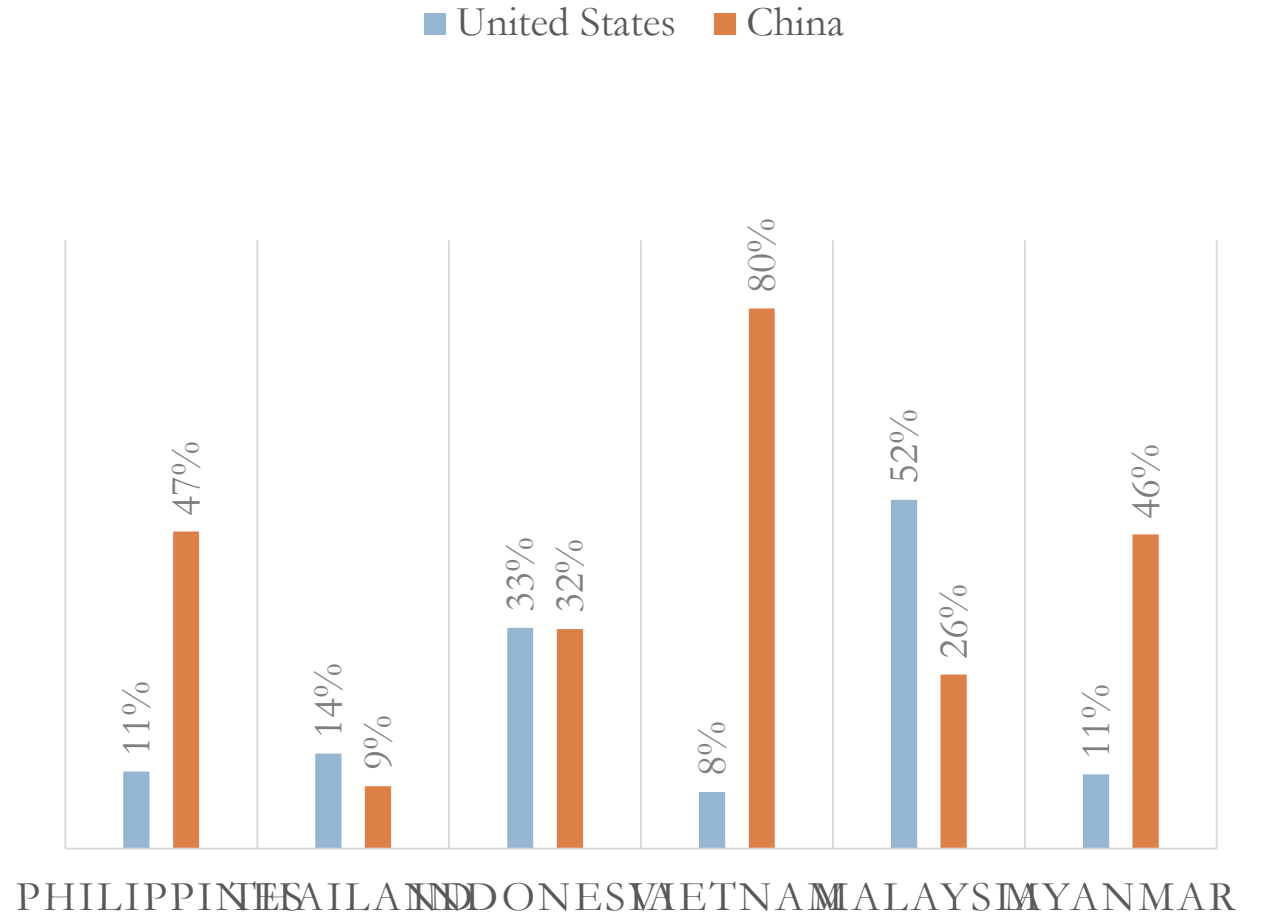
Great Power Rivalry

China vs. US – Game Over

Vulnerabilities and Spoils from Elephant Fight

Dependence on China exposed

Southeast Asia Views US vs China More Harm to Asia (ABS 5)



2021 – Increased Strain on Incumbents

Political Challenges

- Economic Crisis not Recovery
- Persistent Covid & Vaccine Distribution
- Elite Oligarchic Competition
- Weak and Weakened Leadership
- Rise of Polarization – Race, Religion and Xenophobia
- Lack of Regional and Global Support

Region Inward Oriented and Nationalist Frameworks Dominate



Political Pressures

Youth Mobilization

Economic Protests, Rise of Conflict

Opposition Rejuvenation and Repression

Further Exposure of Bureaucratic Capacity

Further Democratic Contractions

Selected ASEAN Trajectories

Thailand – Persistent Protests, Elite Infighting and Lower Growth

Indonesia
Presidential Politicking, Elite Infighting and Polarization

Vietnam – Party Congress. Stability and Curtailed Growth

Singapore – Worst Economic Crisis and Leadership Weakness Exposed

Philippines – Duterte branding and Election season from May, Elite Infighting

Malaysia – Weak Legitimacy Challenged and Rise Polarization

Brunei and Cambodia – Ongoing leadership transitions delayed and China Dependence

Myanmar – ‘New’ NLD Dominance and Military Confrontation, Polarization

Laos - Crisis from Debt

ASEAN Vaccine Procurement Status

(As of 1/4/2020)

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Country	Target	Procurement	Timeline
Indonesia	67%	100m Pfizer Q3; 100m AstroZeneca Q2; Novavax 50m; 125m Sinovac Q1; Covax 54m; Can-Sino 20m; G24 64m; Sputnik Nego	Q1
Philippines	50-60%	Pfizer Nego; AstroZeneca Nego; Sinovac Nego; Sinofarm Nego	Q3
Myanmar	40%	Covax 10.8m not finalized; Serum India 15m	Q3
Malaysia	70%	Pfizer 12.8 m, Covax 6,4m, AstroZeneca 6.4m, Sinovac 23.9, CanSino 23.9m, Sputnik 23.9m	Q2
Singapore	100%	Pfizer 12.8 m, Covax 5m, Arcturus Pledge Purchase, Sinovac & Moderna Purchased	Q1
Thailand	50%	Pfizer Nego; AstroZeneca 25m; Sinovac 2m; Covax Nego;	Q3
Vietnam	50% N/A	Pfizer Nego; AstroZeneca 30m; Covax 15.6m; Sputnik 50-150m; Local Vaccine	Q3
Cambodia	N/A	Covax Nego	N/A
Brunei	50%	Covax Nego	N/A
Laos	N/A	Sputnik Nego	N/A

Slow Burn: Managing Economic Contraction

- New governance priorities
- Wider inequalities and protests, rise anger and frustrations
- Increasing unemployment and social implications, hunger
- Testing of resilience and strengthening non-state actors



FLOUNDERING ASEAN AND NEW REGIONAL ORDER

- Regional Shift – Rise of Vietnam and Indonesia, Less comparative advantage Singapore, Thailand and Malaysia
- Brunei Chairmanship – Capable but little regional buy-in
- US Administration Inward Focused
- China Advantage but with resentments



Final Reflections



- Expect the Surprise 2021
- In 2020 Politics drove instability, In 2021 Economy underlying driver of unrest
- In 2020 Covid-19 provided political cover with some exposure, In 2021 less cover and more exposure
- In 2020 Resilience underappreciated, In 2021 even more important, survival in spite of the politics