

An ASEAN Community Is Nothing Without the ASEAN's Working Peoples!

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On October 7, 2003, in Bali, Indonesia, the Leaders of the Association of Southeast Asian Nations (ASEAN) adopted a historic declaration seeking the establishment of an **ASEAN Community** based on three pillars – economic cooperation, socio-cultural cooperation and political and security cooperation. Accordingly, by 2020, the ASEAN region shall constitute one ASEAN Economic Community (AEC), one ASEAN Security Community (ASC) and one ASEAN Socio-Cultural Community (ASCC).

Through the AEC, ASC and ASCC, the ASEAN Leaders declared that the ASEAN member countries shall be

- Living 'at peace with one another and with the world at large in a just, democratic and harmonious environment',
- Enjoying a 'stable, prosperous and highly competitive ASEAN economic region in which there is...equitable economic development and reduced poverty and socio-economic disparities in year 2020', and
- 'Bonded together in partnership as a community of caring societies'.

The ASEAN Community and the ASEAN Working Peoples

We, the Asian and Pacific Regional Organization of Union Network International based in the region and its affiliates in the individual ASEAN countries, hail the Bali Concord II as a positive instrument for development and support the ASEAN vision of a just, democratic, peaceful, progressive and caring regional community.

We are also deeply heartened by the commitment of the ASEAN to 'ensure that its work force shall be prepared for, and benefit from, economic integration by investing more resources for basic and higher education, training, science and technology development, job creation, and social protection'. We note that the ASEAN is committed to 'cooperation in social development aimed at raising the standard of living of disadvantaged groups and the rural population, and shall seek the active involvement of all sectors of society, in particular women, youth, and local communities.' The Concord also states: 'The development and enhancement of human resources is a key strategy for employment generation, alleviating poverty and socio-economic disparities, and ensuring economic growth with equity'.

We, in the trade union movement, find the Bali Concord II declaration truly historic as the ASEAN rarely speaks -- unequivocally and with passion -- about the positive goals of having a just and democratic environment, achieving equitable economic development, forging a community of caring societies and giving all-out support for the rounded development of the work force in the region.

It is in this context that we find the Bali Concord II at odd with certain realities of the ongoing regional integration process. These realities are opposed, if not outrightly contradictory, to the above 2020 goals of the ASEAN.

Specifically, the integration process-taking place is uneven, does not benefit many and leads to an unbalanced economic development. Further, the failure of the ASEAN to consult with the region's most numerous – the working peoples and their trade union and civil society organizations -- on major socio-economic issues directly affecting them and to give full recognition to the basic universally-accepted rights of the work force subvert the above declared ASEAN goals of having a just and democratic environment, forging a community of caring societies and giving all-out support for the rounded development of the work force.

Uneven and exclusionary integration process

It cannot be denied that the ASEAN, home to close to 600 million people, has grown. With a US\$1 trillion GDP, the ASEAN is now seen as a major economic force in the world and has been competing with China in attracting global capital and global business. Intra-ASEAN exports and imports are now over the \$200-billion mark (intra-ASEAN exports of \$123 billion and intra-ASEAN imports of 110 billion in 2004). The zero tariff regime for 60 per cent of the ASEAN goods traded by the original six ASEAN countries (Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand) is on track, while the accelerated tariff reduction schedule for the four new members (Kampuchea, Laos, Myanmar and Vietnam) has been abbreviated further. By 2010, the ASEAN Free Trade Area is supposed to be fully in place.

However, these developments, dramatic as they are, do not reveal the disparities – economic and social – affecting the peoples, both at the regional and individual ASEAN countries.

Like globalization, regional integration has benefited a number of economic players, principally the global transnational corporations and the big ASEAN and national corporations, which can now freely go in and out of the individual ASEAN countries or invest in a cross-border fashion. Some transnationals such as the electronics and auto producers have planned their operations region-wide, transforming some countries as specialized assembly centers and others as export platforms for some finished products. If there is any group that is integrating ASEAN, that group is, in fact, the transnational group, for these corporations have the regional and global reach to make integration happen based on some kind of a regional and global division of labor.

The operations of these transnational corporations have benefited a number of professionals and workers; mainly the new workers engaged in electronics assembly, ICT-enabled services and high-end tourism and recreation industries.

The problem is that many workers and farmers have not felt any positive change in their lives as a result of globalization and regional integration. Many in old industries such as plastics as well as some sweatshop export industries such as garments have even been victimized by 'labor flexibility' measures like short-term or non-regular hiring and union-avoidance HRD approaches, which help investors squeeze maximum profits from poor and unorganized workers. Workers in the prime age of 30s or 40s or 50s suddenly find themselves 'redundated' from work and 'old' workers are given 'early' retirement packages and are left to fend for themselves in an increasingly flexible labor market.

The situation is worse in many ASEAN countries where old industries are collapsing under globalization and regional integration, while the new industries are not creating enough jobs for everybody. The obsession for privatization has also put the jobs and lives on many in the public sector on the brink, especially in countries with a large number of state-owned enterprises.

In the countryside, the situation is also abhorrent. There are pockets of growth in agrarian ASEAN countries, principally those with investments on export-oriented crops from both the big domestic and the transnational corporations. But the ordinary small farmers and settlers, including the communal fisherfolk, are vulnerable not only to the vagaries of the weather but also to the monopoly control by big traders and the transnational producers on farm inputs and pricing of harvests.

Globalization and regional integration have also allowed the entry of cheaper competing goods from the rich subsidizers such as the United States and European Union and the technologically advanced producers such as Australia. As a result, rural farm incomes have been shrinking while the army of the landless and jobless rural poor has been swelling, providing the ASEAN urban labor market with numerous recruits to do dirty, dangerous and difficult jobs at very cheap wages, as we often see in the construction industry and in the large and ever-expanding informal sector of the region.

In short, like globalization, regional integration has enabled a few to better their lives, but many have been excluded.

Absence of consultation with the productive sectors

The root causes for the uneven and unbalanced pattern of development resulting in so much social and economic disparities are not difficult to find.

First, there is the singular obsession on the part of the ASEAN secretariat and previous ASEAN leaderships to focus on economic regional integration via tariff reduction and investment liberalization without due regard to the disparities in the level of development in the region and in the individual ASEAN countries.

This is like the automatic adoption of the one-size-fits-all model propounded by the IMF-World Bank group or the so-called Washington Consensus that is unduly biased in favor of simplistic liberalization formula. As we have seen in the history of many countries and as documented by the ILO in the book *A Fair Globalization* (2004), such a formula is too simplistic and does not bring about prosperity for all, for it ignores precisely the different levels of development and capacity of different societies and actors in society.

Secondly and relatedly, there was hardly any effort on the part of the ASEAN, in the past, to consult with the major stakeholders in society – the business people, trade unions, farmers organizations and civil society groups. It was only in recent years that the ASEAN Business Advisory groups have been formed. But there are none for the trade unions and farmers groups.

Had the trade unions been consulted, the regional integration programs would have been much more nuanced in favor of calibrated integration, which considers the requirements of job preservation and smooth transition for all to an integrated regional economy. The idea should be to develop win-win formulas, not mindless liberalization schedules.

Thirdly and as a result of the one-sided liberalization formula, social and labor rules were not given equal importance. In particular, labor rights, specifically core labor rights that are universally recognized and enforced, have not been adequately recognized in ASEAN deliberations.

Regional integration which ignores social and labor rules is bound to be a haphazard and one-sided integration project, one which tends to promote business- and job-displacing projects instead of developing value-adding and job-enriching business linkages. This is one reason why it appears that some ASEAN countries are competing with one another, instead of complementing each other. An implicit beggar-thy-neighbor policy has taken hold, instead of enrich-each-other policy.

Conclusions

We, at the trade union movement based in the region, therefore, would like to call on the ASEAN Leaders that consistent with the Bali Concord II to address more decisively the social and labor challenges of regional integration.

We urge them to formally accept or adopt the ASEAN Social Charter (ASC) proposed by the trade unions and civil society groups operating in this region. The ASC is perceived as the social counterpart to ASEAN's economic, trade and investment architecture. It is designed to counter the negative impact of globalization on labor standards, income distribution, and social protection and security.

We also urge them to support the ILO global campaign for decent work and global observance of the universal core labor rights, namely, freedom of association and collective bargaining, non-discrimination at work, prohibition of forced labor and elimination of extreme forms of child labor.

The ASEAN work force – those in the forefront of building ASEAN's industry, cultivating ASEAN's countryside and running ASEAN's services -- constitute the region's overwhelming majority.

An ASEAN Community is hollow and meaningless if there is no ASEAN Labor Community.

Give the ASEAN a human and labor face!

(UNI Apro is the Asian and Pacific Regional Organization of Union Network International – the global union for service employees. The Regional Office is located in Singapore. Please visit the UNI web page at: <http://www.union-network.org> or email: uniapro@singnet.com.sg for more information.)