

The Role and Development Strategies of the Southeast Asian Association in Globalization

Yan Guan

Asia-Europe Institute, ASEAN Studies, University of Malaya, Kuala Lumpur, 50603, Malaysia

Keywords: ASEAN; Globalization; Role; development strategy

Abstract: Southeast Asian countries are developing countries with a high degree of participation in globalization, and economic globalization has had a significant impact on the economic development of these countries. This article analyzes the role and development strategies of the ASEAN (Association of Southeast Asian Nations) in globalization. Under the impact of globalization, countries around the world need to consider structural adjustment and institutional reform issues. From a new perspective of globalized online finance, we can grasp the essence of the problem. Globalization has created an era of online economy that relies heavily on information resources and financial services. We may gain some valuable insights from the analysis of real cases, and the development process of Southeast Asian countries is an extremely valuable reference frame. Supporting the ASEAN to play an active role in international and regional affairs, analyzing the Southeast Asian financial crisis from the perspective of a globalized network economy, will remind us of the need to comprehensively update our concepts, adjust development strategies, and re-examine institutional reforms.

1. Introduction

In today's world, the tide of economic globalization is surging. Economic globalization is a market-oriented process of accelerating the flow of products and factors around the world, and its main characteristics are trade liberalization, financial internationalization, production integration and economic regionalization [1]. Southeast Asian countries are developing countries with a high degree of participation in globalization, and economic globalization has had an important impact on their economic development. The speed of economic development in Southeast Asia is amazing. After 1780, it took Britain 60 years to double its per capita income. After 1840, it took 50 years for the United States to double its per capita income; After 1880, it took Japan 33 years to double its per capita income. However, the financial turmoil in Southeast Asia in 1997 revealed to us the other side of economic globalization with extremely cruel facts [2]. Currency turmoil has caused Southeast Asia to suffer a loss of \$3 trillion, and some countries have even lost nearly half of their economic accumulation in the past 20 years. This paper analyzes the role and development strategy of ASEAN in globalization. Under the impact of globalization, all countries in the world should consider structural adjustment and system reform. In this process, the situation of Asian countries is very different. Due to historical reasons, there are great differences between China and the West in political system, ideology and values [3]. The rise of China not only competes with the west economically, but also challenges the western development model politically. Therefore, the western resistance to China will run through the whole process of Chinese national rejuvenation, and China must adhere to its position as a developing country [4]. First of all, from the hard indicators of economic and social development, despite the 30 years of reform and opening up, China has made great progress. However, the gap between China and developed countries is still very large. In Japan, South Korea, Singapore and Taiwan Province, China, industrialization has been completed, and their reforms focus on bridging the information gap and system gap and realizing economic networking, that is, solving the problem of transition from a traditional industrial society to a global information society [5].

2. Analysis of the Role of the ASEAN in Globalization

2.1. The Characteristics of Southeast Asian Economic Operation under Globalization

Driven by the wave of global and regional trade liberalization, the process of trade liberalization in Southeast Asian countries is constantly accelerating. Countries actively adjust their economic development strategies, gradually relax trade controls, and significantly reduce tariff levels. In this context. There has been a significant increase in international questioning of China's status as a developing country, and calls for China to undertake international obligations that are not in line with its own strength continue to be heard. Developed countries exaggerate[6]. The expectations of developing countries have increased. Therefore, how to position oneself is a difficult problem that China has to answer. Nowadays, with the rapid development of technology and the globalization of the internet, high-tech means, especially digitization, informatization, and networking, have directly penetrated into film and television production, making the temptation of global visual impact very strong[7]. In recent years, the liberalization of service trade in Southeast Asian countries has also made progress, but the development of each country is still uneven. The Southeast Asian financial crisis is different from economic crises that have occurred in history, and it has three new characteristics, as shown in Figure 1.

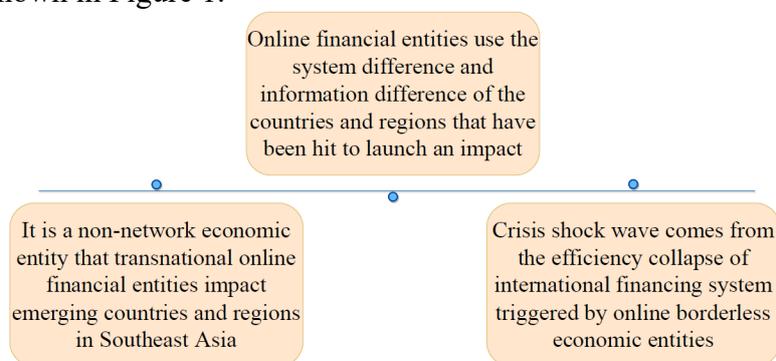


Figure 1 Characteristics of the Southeast Asian Financial Crisis

As an international financial, maritime, and air transportation center, Singapore has the highest degree of liberalization and openness in international service trade; Malaysia's openness to service trade is relatively high, with telecommunications services, offshore finance and insurance, transportation services, and tourism all open to the outside world; The pace of liberalization of service trade in Indonesia, Thailand, and the Philippines has accelerated, but there are still many departmental restrictions; Brunei's service departments are mostly managed by the government, but some departments have a high degree of openness. Southeast Asian countries are important production and export bases for office and communication equipment products in the world. Multinational corporations have formed a huge regional network for the production of office and communication equipment products locally. They keep the high-end links of the value chain such as precision component processing, manufacturing, and research and development in their home countries, transferring the vast majority of high value-added labor-intensive assembly and production of low-end components to Southeast Asian countries[8].

2.2. Economic Globalization and Regional Integration in Southeast Asia

With the tide of economic globalization and regionalization, Southeast Asia has accelerated the process of regional economic integration. At present, the regional economic integration in Southeast Asia is mainly carried out at three levels: one is the economic integration in the ASEAN region, the other is the free trade area between ASEAN and countries outside the region, and the third is the bilateral free trade agreement between ASEAN member countries and countries outside the region [9]. With the development of high technology. Information communication, personnel exchanges and capital flows will be more frequent, economic mutual penetration will be more convenient, and the degree of globalization will be further deepened. With the change of international competitiveness structure, the tendency of trade protectionism in developed countries in Europe and

America will also rise. In 2002, the original six member countries initially established free trade zones. In October 2003, at the 9th ASEAN Summit, countries agreed to establish the Economic Community in 2020 to accelerate their regional economic integration. According to the action plan to realize the ASEAN Economic Community, ASEAN will comprehensively promote and implement the free trade area, service trade agreement and investment area plan. The regional cooperation in Southeast Asia has developed slowly in twists and turns. Although some progress has been made, the development of regional cooperation in Southeast Asia has been restricted by many internal contradictions and external interference. This paper analyzes the reasons for the above contents, as shown in Figure 2.

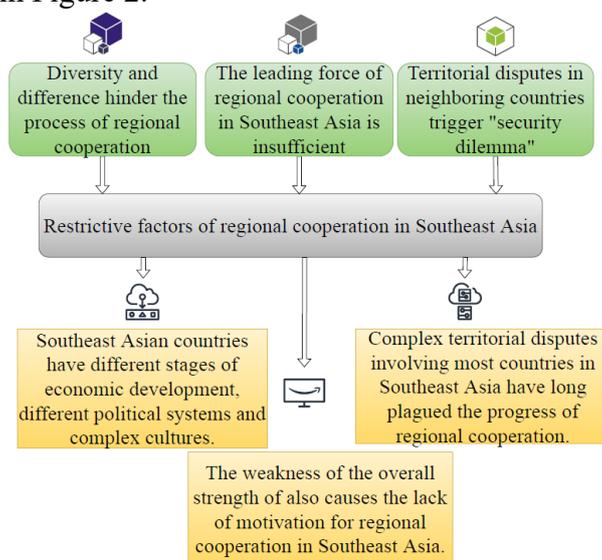


Figure 2 Constraints on regional cooperation in Southeast Asia

In today's new century, with the rapid development of science and technology and economy, it is rushing to the forefront of globalization. In the 21st century, the regional trade liberalization between ASEAN and countries outside the region has risen rapidly, and China-ASEAN Free Trade Area, Indian-ASEAN Free Trade Area, Japanese-ASEAN Free Trade Area and Korean-ASEAN Free Trade Area have emerged one after another. In November 2000, China put forward the grand idea of establishing China-ASEAN Free Trade Area for the first time. In connection with this, the global application of science and technology and economic exchanges have constantly broken through the limitations of tradition. Related to this, in the process of globalization, western values, aesthetics, life attitude and life goals have also penetrated into China's film and television art, especially some film and television works that are trying to open up the international market. Most of these works obviously cater to western interests in the production process.

3. The Development Strategy of the Southeast Asian Association in Economic Globalization

3.1. Enhancing the International Status of the ASEAN

Due to many factors, Southeast Asia has always been on the "edge" of international politics. It was not until the end of the Cold War that the ASEAN began to play a more important role in regional affairs, and only then could the countries of the ASEAN truly independently control their own affairs. There are complex territorial disputes in Southeast Asia, and from the perspective of various security dilemmas caused by territorial disputes in Southeast Asia alone, the difficulty of Southeast Asian integration is much greater than that of Europe, and even surpasses that of Africa and Latin America. For a long time, China has always highly respected the sovereignty, integrity, and independence of the countries of the Southeast Asian Association, supporting the Association to play an active role in international and regional affairs. Analyzing the Southeast Asian financial crisis from the perspective of a globalized network economy will remind us of the need to comprehensively update our concepts, adjust development strategies, and re-examine institutional

reforms. Guiding blind entry of foreign investment can also lead to blind exit of foreign investment, resulting in low efficiency of foreign investment utilization and high level of risk. Therefore, separating government from enterprises is an important part of political system reform. We must deepen the reform of our country's system and concepts. Support the efforts made by the ASEAN in establishing a new regional order.

3.2. Suppress Western infiltration

For a long time, Western forces, especially the United States, have infiltrated and intervened in the internal affairs of Southeast Asian Association countries through various means such as providing military and economic assistance, nurturing pro American forces, and even engaging in various subversive activities, posing a serious threat to the sovereignty and independence of each country. Firstly, Southeast Asian regional cooperation should carry out practical cooperation in the "functional areas". Southeast Asian regional cooperation originated in the financial field, which is currently the most likely area for cooperation. In terms of politics, we need to address the bottleneck of integrating into the global economic network system. The basis for measuring the institutional gap between online economic entities and the affected country is the speed of market clearance and the degree of collaboration between officials and businesses. In the traditional system of our country, government, enterprise, and bank are integrated, with a lot of front-end packaging and behind the scenes manipulation, which inevitably affects the objectivity, comprehensiveness, and timeliness of information display, ultimately affecting the speed of market clearance. The prominent manifestation of globalization is the cross-border flow of capital, which also strengthens financial cooperation among countries. The financial industry is relatively fragile and greatly affected by economic fluctuations. Once a crisis occurs, it is easy for the entire region and even the world to experience a financial crisis. These practices by the United States have caused resentment among many Southeast Asian Association governments, but they often feel powerless to compete with the United States.

3.3. Improving the security environment of ASEAN

From a global perspective, only the United States is a superpower, and in terms of overall strength, China is far from being an opponent of the United States. In Southeast Asia, where the competition among big countries is fierce, the leading role of ASEAN can avoid all kinds of contradictions arising from the struggle for dominance by big countries to a certain extent, but the weak overall strength of ASEAN also causes insufficient motivation for regional cooperation in Southeast Asia, which restricts the further development of cooperation. However, as a close neighbor of the ASEAN, China's geopolitical and geo-economic advantages are incomparable to those of the United States and Japan, and it has become a decisive force in supporting the stability and peace of the ASEAN region. At present, facing the strong development of multi-polarization, China and the ASEAN have made important strategic decisions in a timely manner, taking the strategic partnership oriented to prosperity and peace as the major policy goal of bilateral relations in the 21st century. We should pay close attention to and guard against financial risks in the pattern of economic globalization. Under the impact of transnational financial groups operating according to the information-based system, the limited national foreign exchange reserves and regional currency linkage mechanism are like a drop in the bucket, which is of no help. It is necessary to establish new international norms and restraint mechanisms. It is the inevitable requirement of the development of the times and the strategic needs of both sides, and its internal and external conditions are becoming more and more mature.

4. Conclusions

Due to historical problems, territorial disputes and economic competition, Southeast Asian countries have long lacked mutual trust. Therefore, although regional cooperation can provide benefits for countries' participation, countries' own interests and strategic design still dominate, and it is difficult to form a strong regional synergy for a long time. At present, facing the strong

development of multi-polarization, China and the ASEAN have made important strategic decisions in a timely manner, and regard the strategic partnership oriented to prosperity and peace as the major policy goal of bilateral relations in the 21st century, which is the inevitable requirement of the development of the times and their respective strategic needs, and their internal and external conditions are becoming more and more mature. This paper analyzes the role and development strategy of ASEAN in globalization. The diversity of Southeast Asia is outstanding, there are great differences in social systems, history, culture and religious beliefs among countries, and the relations between countries inside and outside the region are complicated. China advocates that the cooperation in Southeast Asia should be based on the characteristics of the region and open up a practical and feasible way of cooperation in Southeast Asia. The success of Southeast Asian cooperation will accumulate valuable experience for South-South cooperation, and it will also be a useful attempt to explore a new type of state relations and international order. It can be asserted that the strategic partnership between China and ASEAN will continue to develop smoothly as long as the two sides treat and handle bilateral relations from a strategic perspective.

References

- [1] Thang H Q. Tourism With the Integration and Development of Vietnam—Southeast Asia[J]. *International Relations and Diplomacy: English Version*, 2022, 6(3):10-17.
- [2] Bondarenko N G, Kasparyan K V, Kovalevskaya N V, et al. The role of investments in the development of integration ASEAN. [J]. *International Journal of Civil Engineering and Technology*, 2021, 9(11):1720-1729.
- [3] Thanh H H, Ngoc H D T, Thanh P N T, et al. Impact of Macro Economic Factors and Financial Development on Energy Projects - Case in ASEAN Countries[J]. *Management*, 2020, 24(20):10-24.
- [4] Xiang-Jun S. Development and Prospect of Guizhou-ASEAN Higher Education Cooperation and Exchange[J]. *US China Education Review: B*, 2019, 9 (4): 12-22
- [5] Wijaya S. Determinant of Value Added Tax Revenue in Asean Countries[J]. *International Journal of Management*, 2020, 11(9):1453-1463.
- [6] Swangjang K. Comparative review of EIA in the ASEAN[J]. *Environmental Impact Assessment Review*, 2018, 72(SEP.):33-42.
- [7] Sun Y, Wang Y, Chen D, et al. Research on differentiated marketing strategy of ASEAN market for development of Chinese patent medicine based on principal component analysis and hierarchical clustering method[J]. *Chinese Traditional and Herbal Drugs*, 2018, 49(8):1977-1984.
- [8] Hellquist E. Negative Sanctions in Africa and Southeast Asia: Traces of Colonialism and Marks of Globalisation [J]. *Asian Development Review*, 2018, 16(10):16-24.
- [9] Nguyen T N A, Pham T H H, Valle T. Trade Volatility in the ASEAN Plus Three: Impacts and Determinants[J]. *Asian Development Review*, 2020, 37(15):10-23.