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*Global Health Security
COVID-19 & Its Impacts*

Towards Post-Pandemic Recovery: ASEAN's Three Priorities

By Dipinder S Randhawa

SYNOPSIS

The transition to a post-pandemic economy with minimal risks of disruptive resurgence of infections may take a few years. In the interim, ASEAN must move proactively on policy initiatives to prepare for an inclusive, resilient, and sustainable ASEAN Community.

COMMENTARY

IN NOVEMBER 2021, ASEAN economies tentatively restarted cross-border travel. The challenge is not just balancing the risk of a surge in infections arising from the lifting of restrictions on movement. Planning for a transition to a post-pandemic economy, while minimising the ill-effects of the pandemic, is critical to a sustainable economic revival.

For ASEAN, finding a stable path forward requires exceptional discipline and statesmanship. ASEAN is a geopolitically charged region that is deeply integrated into the global economy through trade, supply chains and cross-border services. The pandemic has underlined the need for developing resilient domestic economies that will buttress a viable ASEAN Community. ASEAN needs to focus on three priority areas to facilitate a smooth transition to a post-pandemic economic recovery.



ASEAN....Walking Towards Future Recovery

Priority 1: Vaccination

The best hope for a return to 'normality' is mass vaccination. Despite remarkable progress with the development, production and administration of several vaccines, actual vaccination roll-out has been marked by striking differences across countries. Current projections indicate that ASEAN will not be fully vaccinated until late 2022.

ASEAN faces three distinct challenges related to vaccination: The most obvious is *vaccine supply*. ASEAN will do well to coordinate a strategy on vaccine purchase, storage, and distribution, until regional capability for manufacture is established. Secondly, ASEAN needs to formulate a *coherent strategy* to deal with the proliferation of variants and mutants and sharing information in real time. Regional cooperation, including data sharing, testing and tracing, is key to addressing many of the challenges impeding resumption of cross-border travel. Third, *vaccine hesitancy* is strong in various parts of ASEAN. Governments need to deploy deft communication strategies to persuade the reluctant to get vaccinated.

Priority 2: Addressing Increasing Economic Deprivation

The effects of the pandemic will be more painful and long-lasting than those from crises in recent decades. The pandemic inflicted debilitating losses on human capital in the form of learning opportunities lost or delayed. Growing inequalities are manifest in access to digital technologies for learning, and loss of nutrition from the cessation of free school meals.

The burden of ongoing economic dislocations has fallen heavily on the poor, especially women and children, and those lacking the resources and knowledge to work remotely. Those offering digital services thrived, while 'bricks and mortar' sectors suffered. The digital divide, unless checked, could lead to enduring inequality,

accentuated by the technologies of the Fourth Industrial Revolution and climate change.

Policy responses to the pandemic have inadvertently reinforced the latent trend towards growing inequality and, arguably, the rise of populism. Despite benefitting largely through globalisation, ASEAN has not been entirely immune from this challenge. While there is no significant resistance to trade agreements across ASEAN, voices against migrant labour as well as skilled overseas workers have grown in certain areas, in line with the growing global trend towards xenophobia.

This could seriously undermine the social compact and accelerate the decline of multilateralism in a region where foreign investments and trade have been welcomed and yielded immense benefits in the past.

Need for Collaboration

There is a pressing need for ASEAN to expedite collaborative strategies between local governments, civil society, and the private sector, to bridge the digital divide. This is especially so for children, the young, and working adults – integral to laying the foundations for economic mobility and inclusive growth as we move into the digital age.

This calls for ramping up investment in health services, education (especially digital literacy), skills development, digital infrastructure and deploying digital technologies.

In the short-run governments need to focus on food security, creating jobs, and helping viable businesses recover, as well as strengthen support for the informal sector business. Other than Singapore, the informal sector continues to account for a preponderance of jobs across ASEAN.

The priorities are clear. ASEAN member states need to push for the re-opening of schools to address learning deficits among school children while public health systems need to be energised.

Priority 3: Boosting National Capacity and Intra-ASEAN Collaboration

The pandemic has laid bare gaps, inefficiencies, and outright failings in governance across the world, while highlighting weaknesses in national capacity in most countries. The design of economic policy in a globalised world is challenging, especially in a region as open as ASEAN. It calls for a keen awareness of risks as economies open up.

The unprecedented scale of the crisis and the speed with which it spread across the globe, forced public authorities to engage in a fire-fighting approach, with little time to consider the need and benefits of a regional approach.

ASEAN is by no means the exception. Regional approaches were missing even in the European Union. There is no precedent to draw upon. The policy bandwidth has focused on continually adapting and securing national borders and minimising risks from 'imported' infections.

Thus far, cross-border coordination on many issues that merit an international approach is largely at a formative stage. Most ASEAN economies are too small and lack the capacity and resources needed to address the challenges thrown up by the COVID-19 pandemic. ASEAN can turn this crisis to its long-term advantage by adopting bold and imaginative policies, with interventions dove-tailing with longer-term plans for economic revival, emphasising growth with resilience.

Urgent Policy Concerns

The sheer volume of resources required and the need to boost overall investment offer an opportunity to reorient and modernise the economy as well as its governance. There are at least two urgent policy concerns:

Establishing protocols for managing the pandemic: In the short run, there is a need to establish protocols for testing and tracing infections as well as consolidating data in real time. An immediate priority should be to establish regional data sharing protocols with privacy safeguards in collaboration with the private sector as government agencies alone are unlikely to have the requisite expertise.

The challenges extend across multiple domains and include public health, testing and monitoring capabilities, coordination across different levels of government, data collection, collation, and analysis, and correlating relevant data across vast populations. This would require procedures to monitor in real time, zoonotic transmission and pooling of information on genetic sequencing of viruses – critical for identifying the sources and agents of transmission of the virus.

Developing assured supply lines and safe movement of workers: The priority should be supplies of Personal Protective Equipment (PPE) and food security. In both areas, ASEAN experienced breakdowns during the pandemic. Between Singapore and Malaysia alone, prior to the pandemic, nearly 300,000 workers crossed the border daily, providing essential and critical services.

The human and economic costs of curbs on the movement of labour have been escalating to the detriment of both the source and destination countries. ASEAN needs to expedite policies for restoring cross-border movements.

Looking Ahead

Policies implemented now will have a bearing, not only on the type and durability of recovery, but also on prospects for dealing with the long-term risks facing ASEAN. Planning for these challenges will be shaped by the policy responses to the COVID-19 pandemic.

A key lesson from the COVID-19 pandemic is this: collaborative and coordinated initiatives to steer ASEAN towards the path of stable and sustainable growth is imperative. This must be the guiding principle as ASEAN member states prepare their next ten-year Community Blueprint, as the current plan (2015 to 2025) enters its closing phase.

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