

Book Review

Asian sharing policies and experiences in poverty reduction: A review of *ASEAN-China Cooperation for Poverty Reduction* (Series on Asian Regional Cooperation Studies, Vol. 5), Yue Yang and Yanjun Guo (Editors). Publishers: WSPC, Singapore: November 2021, 200 pp.

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To cite this article: Nath Aldalala'a (2022). Asian sharing policies and experiences in poverty reduction [Review of the book *ASEAN-China Cooperation for Poverty Reduction*, edited by Yue Yang and Yanjun Guo]. *Malaysian Journal of Chinese Studies* 11(1): 109–113 [http://doi.org/10.6993/MJCS.202206_11\(1\).0007](http://doi.org/10.6993/MJCS.202206_11(1).0007)

To link to this article: [http://doi.org/10.6993/MJCS.202206_11\(1\).0007](http://doi.org/10.6993/MJCS.202206_11(1).0007)

This book brings together notable contributors to examine a central topic on the development of ASEAN member countries' economies and politics in poverty reduction.¹ Its preface indicates that, within ASEAN, Singapore completely reduced its poverty rate to zero, while Vietnam's dropped to 5.8% in 2018, which is the lowest rate among the less developed countries of Cambodia, Laos, Myanmar, and Vietnam. China's exceptional economic performance has lifted over 850 million of its people out of poverty since 1981, contributing to over 70% of the global poverty reduction.

At the start of this review, it is worth mentioning that while the title indicates *ASEAN-China Cooperation for Poverty Reduction*, the contributors do not discuss the direct contact between ASEAN-member countries and China. Rather, each chapter focuses on internal mechanisms and policies followed in each country for poverty mitigation. Chapter 7 offers a glimpse on the cooperation between China and Myanmar, and Chapter 11 recounts the meeting on “ASEAN-China Cooperation on Poverty Alleviation Against the Backdrop of the COVID-19 Pandemic”, which was jointly organised by the Network of ASEAN-China Think-tanks of Laos and China, with financial support from China Foreign Affairs University.² It is also worth mentioning that the book does not provide a unified editorial definition of poverty, rather each chapter contends with this by providing universally recognised definitions of poverty and then conferring the definitions accepted

within each country under study. The absence of a list of abbreviations often raises problems on what they stand for.

The chapters are organised by country focusing on economic factors that help explain poverty reduction. Statistics provide the backbone of analysis which enhances the value of the book as proper reference on poverty reduction. The recurring themes in the chapters on China, Malaysia, and Philippines (chapters 2, 6, and 8 respectively) include the role of digital trade and digitalisation; and those on Indonesia, Laos, and Vietnam (chapters 3, 5, and 10) are concerned with sustainable agriculture and food security.

The chapter on Cambodia emphasises the importance of peace and political stability as the basis for sustaining development besides creating a favourable environment for national development and investment. Laos, being one of Least Developed Countries in ASEAN, occupies a major focus where Chapter 4 is dedicated to “partnerships” in relation to the Sustainable Natural Resource Management and Productivity Enhancement Project of the Government of Laos and Asian Development Bank. This chapter focuses on cooperation and partnerships in poverty reduction. Under the “ASEAN Framework Action Plan on Rural Development and Poverty Eradication 2016–2020”, cooperation in poverty alleviation implementations involves both ASEAN and potential partners such as ASEAN Foundation, ASEAN+3, Asian Development Bank and the World Bank.³

Further, on Laos, Chapter 5 offers a case study on agriculture research for rural development in a poor rural village. It shows that poverty continues to decline while the poverty gap is still high between urban and rural areas. Another case study is presented in Chapter 9, which examines the role of Thailand’s Eastern Chanthaburi province in national poverty reduction, cooperation with and intervention of Chinese fruit packaging companies in the Thai market that led to increasing production and export of *durian* to China.

In the case of Malaysia, the authors argue that digitalisation and Digital Trade (DT) are key in poverty alleviation and promoting inclusiveness in the country. It is argued that “the old approach of growth through capital accumulation and sectoral transformation has become inadequate to push Malaysia to graduate from the middle-income status” (p. 93). For Malaysia to become a high-income country, a focus on increasing productivity is important, which means a higher level of automation and digitalisation in business activities. This is “where digitalization and DT can help in not only to eradicate poverty but also to ensure that all communities in Malaysia can achieve inclusiveness in wealth creation and development opportunities” (p. 100). The Philippines is in a similar situation where digitalisation and digital economy have opened up new avenues for economic development with implications toward its potential for wider social developments.⁴ Community-driven development is crucial in the Philippines which “seeks to engage and empower the poor to become authors and actors of their own development with particular attention and

opportunities given to those in the marginalized sectors” (p. 132). Digital economy enables the community to complement market and state-run activities by operating at the local level. This is achieved by organising people capabilities to allow them to participate directly in the process of economic transformation.

With a legacy of conflict, isolation, and ineffective economic policies, poverty reduction remains a major challenge in Myanmar which, like Laos, is among the least developed in ASEAN. The continuing domestic instability in the country hinders national strategies to achieve desired goals in poverty reduction. The chapter on Myanmar emphasises the role of partnership with regional countries and organisations, especially with China and Japan. The author argues that “China believes that poverty is the cause of all problems and [...] China proposed to solve the poverty issue as the root cause of all conflicts in Myanmar” (p. 124). China follows this up by providing financial and technical assistance to Myanmar for infrastructure, agriculture, transportation, energy, communication, human resource, health, and natural disasters.⁵ Chinese aid and investments in Myanmar are of different types: these are aid under loan, technical cooperation, and grant agreements; support that falls under the Belt and Road-related projects; projects under regional and sub-regional organisations such as Lancang-Mekong Cooperation projects; and assistance from Chinese non-government organisations. Japan International Cooperation Agency supports Myanmar by focusing on “Urban-Rural Development Synergy Strategy”. Agriculture is a priority sector for regional and international aid to Myanmar given that poverty is largely a rural phenomenon, and that 30.2% of the rural population is poor and 70% of population reside in rural areas. Yet, while it is observed that Myanmar cannot achieve its goal in poverty reduction without assistance from regional and global countries and agencies, there is no mention of political instability as the main hindrance to development and poverty reduction.

The study on Indonesia is concerned with sustainable agriculture and food security. It is pointed out that poverty affects 9.8% of the population while another 18.5% is categorised as vulnerable. Yet, the problem facing Indonesia is that the labour force in the agriculture sector has been decreasing steadily. This increases the pressure on the government’s food security planning and thus complicates proper management due to the geographical expanse of the country. The joint authors contend that community-led initiatives to make farming sustainable and to promote self-sufficient food production at household levels offer a possible solution. Community-led initiatives include community-based agro-business, supporting young farmers, and using food marketing in digital apps.

The Vietnamese attempt in poverty alleviation includes sustainable agricultural development, which is an important component in the industrialisation and modernisation course towards knowledge economy and information society. The attempt has been effective in reducing poverty

and extreme poverty from 49% of the population in 1992 to only 2% in 2016 and reduced its multi-dimensional poverty rate from 16% in 2012 to about 3.7–4.2% in 2019.

This book appears at a time when comprehensive efforts are stepped up by ASEAN member countries and China to reduce poverty. The 15th ASEAN-China Forum on Social Development and Poverty Reduction was held in Beijing on 22 June 2021. It was organised by the International Poverty Reduction Center in China and supported by the ASEAN Secretariat and the United Nations Development Programme. In April 2021, the State Council Information Office of the People's Republic of China published its report, entitled "Poverty Alleviation: China's Experience and Contribution." According to the report, China's Belt and Road Initiative expands regional cooperation on economic and social development, and helps eligible countries better achieve poverty alleviation. Similarly, a World Bank study highlights that the initiative will help 7.6 million people out of extreme poverty and 32 million out of moderate poverty in these countries.

This book is part of a series of publications on ASEAN-China cooperation in various fields which include cooperation on environmental protection, regional connectivity and sustainability, and on poverty reduction. However, Chapter 11, which attempts to explain ASEAN-China cooperation presents a limited perspective on that subject.

While the book embodies a valuable contribution to the topic under research, it has overlooked the need to include an editorial introduction and conclusion, and the provision of tools of analysis to present a coherent platform for the chapters. However, these editorial limitations are mitigated by the apparent specialism of the contributors.

The book is a good read for specialists on the topic and for university students who aim to understand mechanisms, efforts, and policies within the ASEAN countries communities in their fight against poverty.

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Notes

- 1 Each ASEAN member country has performed distinctively with regard to economic development. This is evidenced by GDP per capita. Singapore and Brunei Darussalam, for example, recorded the highest values in 2018 at US\$64,567.3 and US\$30,645.6 respectively, followed by Malaysia (US\$10,041) and Thailand (US\$ 6,737). GDP per capita in Vietnam, Indonesia, Philippines, Laos, Cambodia, and Myanmar, despite these countries having experienced steady growth over the years, is still below the ASEAN average GDP per capita of US\$4,601.3. These disparities in income point to the wide development gap among the ASEAN countries.
- 2 The Working Group was attended by all Network of ASEAN-China Think-tanks members except Brunei Darussalam.
- 3 The ASEAN Charter clearly states that one of its purposes is to alleviate poverty and to narrow the development gap within ASEAN through mutual assistance and cooperation. The ASEAN Socio-Cultural Community Blueprint 2025 and other regional mechanisms provide guidelines to members towards promoting poverty eradication and sustainable development.
- 4 See United Nations Conference on Trade and Development, *Information Economy Report*. 2017: Digitalization, Trade and Development, UNCTAD, 2017, https://unctad.org/en/PublicationsLibrary/ier2017_en.pdf.
- 5 In September 2017, China donated kyats 200 million for poverty alleviation efforts in Rakhine and other areas.
- 6 The State Council Information Office of the People's Republic of China, *Poverty Alleviation: China's Experience and Contribution*, (Beijing: Foreign Languages Press, 2021).