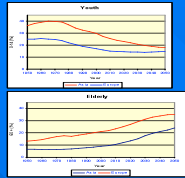


# Notes on Future Trends

- Centres of economic activity will shift profoundly, not just globally, but also regionally.
- Shifts within regions will be even more dramatic
- Today, Asia (excluding Japan) accounts for 13 percent of the world's GDP, while Western Europe accounts for more than 30 percent.
- Within 20 years the two will converge.

..... Mckinsey Quarterly Web Exclusive 2006



# Dependency Ratio: Asia and EU

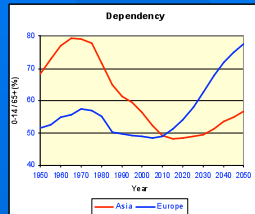
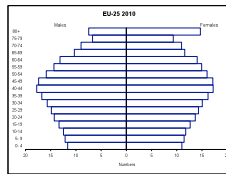
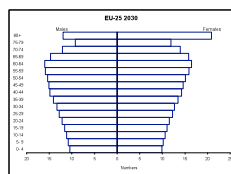


Figure 3.2: Trends in dependency ratios, Asia and Europe, 1950-2050.



Source: *Willem van der Geest* Disparities in  
Patterns of Development EU and Asia



Source: *Willem van der Geest* Disparities in  
Patterns of Development EU and Asia

## Demographic Dividend: Implication at the Regional Level

- Demographic dividend is becoming a new issue of challenges not only to ASEAN, but also to all ASEAN member countries.
- As in other parts of Asia, the ASEAN region is now in the midst of a fundamental transition in their populations.
- All ASEAN member countries are provided with an important opportunity for a demographic dividend.

- The pace and degree of economic benefits that could be attained vary across the ASEAN region.
- Part of the explanation for the variation in demographic dividend in the ASEAN region lies in the differing policy environments among ASEAN member countries.
  - They have contributed to variations in the levels of skills and competency of the productive workforce in these open economies.

# Key Challenge for ASEAN

- ASEAN member countries are now with visions to reposition their international competitiveness.
  - How can ASEAN upgrade the quality of its human resources so as to maximize and to capture the opportunity to capitalize on the demographic dividend before the future turns grim?
    - » Comparing with EU, regional issues are more or less similar.



## **European Union Priorities and Implications for ASEAN**

- In the European Union (EU), regional coordination in human resource development (HRD) and its contribution in improving the overall economic capacity in the region is manifested in varying degrees in a number of fields, directly or indirectly, connected with demography such as: aging, labor force and mobility, unemployment, migration and brain drain, health, education, pension reforms.
- Such issues are becoming more acute with the enlargement of the EU.

## **European Union Priorities and Implications for ASEAN**

- Intra-EU migration:
  - EU has established for free movement of any natural citizen of member states across the borders in the respective regions.
  - Workers, businessmen, and self-employed can be transferred from one member country to another.

Source: Patcharawalai Wongboonsin and Joannis Kinnas, 2004