

CAPTER IV

OVERVIEW OF OBJECT RESEARCH

A. Profile of ASEAN Member Countries

1. ASEAN

The Association of Southeast Asian Nations (ASEAN) is an association of countries in the Southeast Asian region formed in 1967 in the city of Bangkok (Thailand) based on the Bangkok declaration by Indonesia, Malaysia, the Philippines, Thailand and Singapore. Then at present ASEAN has 10 member countries namely Brunei Darussalam joining on 7 January 1984, Vietnam (28 July 1995), Laos and Myanmar (23 July 1997) and Cambodia (30 April 1999). The purpose of the establishment of this organization is to maintain balance and peace, increase economic growth, provide opportunities for member countries to discuss differences, and develop the culture of their member countries.

2. Geographical Conditions

Southeast Asia covers a land area of 4.46 million km², equivalent to 3% of the total land area on Earth. Astronomically, Southeast Asia is located between 28 ° N – 11 ° S and 93 ° E – 141 ° E. The administrative boundaries of Southeast Asia are as follows:

a. The north is bordered by China and India

- b. East side is bordered by the Pacific Ocean and the country of Papua New Guinea
- c. The south is bordered by the State of Timor Leste, Indian Ocean and the Australian Continent
- d. The west is bordered by Bangladesh, India and India .



Source: <https://goo.gl/images/Wrk9Bq>

Figure 4. 1
Map of ASEAN Member Countries

3. Profile of ASEAN Countries

a. Indonesia

The Republic of Indonesia or commonly referred to as Indonesia is an ASEAN member country that adheres to the President Republic's

governmental system. The national capital of Indonesia is Jakarta. Indonesia is the fourth most populous country in the world with almost 270,054,853 million inhabitants (2018) and Indonesia is also the country with the largest Muslim majority in the world. The total area of this country is 1,904,569 km². The language used is Indonesian and uses Rupiah. The State of Indonesia became independent on August 17, 1945 and the national anthem was Indonesia Raya.

b. Malaysia

Malaysia is an ASEAN member country that adopts the Constitutional Monarchy system of government (the king as the head of his government). The national capital of Malaysia is Kuala Lumpur while the center of government is in Putrajaya. The State of Malaysia has an area of 329,847 km² in which there are 31,187,265 million inhabitants (2016). The language used is Malay and uses the Ringgit currency. Negara Malaysia became independent on August 31, 1957 and the national anthem is My Country.

c. Singapore

Officially the Republic of Singapore, is a sovereign island city-state in Southeast Asia. The country is situated one degree (137 kilometres or 85 miles) north of the equator, at the southern tip of the Malay Peninsula, with Indonesia's Riau Islands to the south and Peninsular Malaysia to the north. Singapore's territory consists of one main island

along with 62 other islets. Since independence, extensive land reclamation has increased its total size by 23% (130 square kilometers or 50 square miles).

d. Thailand

Thailand is an ASEAN member country that follows the same government system as Malaysia, the Constitutional Monarchy. The capital of the country of Thailand is Bangkok. The country of Thailand has an area of 513,120 km² in which there are 68,863,514 million inhabitants (2016). The language used is Thai and uses Baht. The state of Thailand was independent on. The national anthem is Phleng Chat Thai and Thailand has never been colonized by another country.

e. Philippine

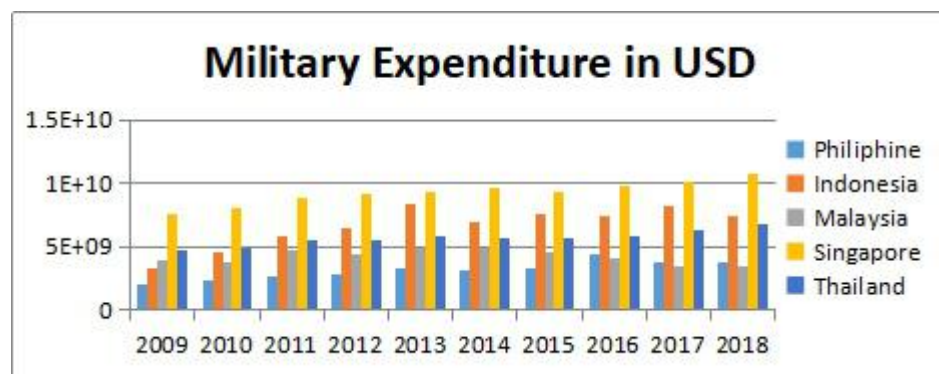
The Republic of the Philippines or commonly referred to as the Philippines is an ASEAN member country that follows the same government system as Indonesia, namely the Presidential Republic. The capital city of the Philippines is Manila. Just like Indonesia and Vietnam, the Philippines is also one of the countries with the most population, amounting to 103,320,222 million people (2016). The total area of this country is 343,448 km². The language used is Tagalog and uses Philippine Peso. The Philippines became independent on June 12, 1898 and the national anthem was Lupang Hinirang.

B. Overview of Variables

1. Military Expenditure

Some analysts claim that the military modernization of Asia, especially Southeast Asia is a logical consequence of economic growth. The five main countries in Southeast Asia called the big five, namely Singapore, Thailand, Indonesia, Malaysia and the Philippines are the five countries with the highest defense budgets in the region. These five countries experienced

economic growth as a result of global trade and rising demand from China. In 2011 these countries received greater capital flows and continued to undertake fiscal stimulus measures during the global economic crisis. As a result, during the global economic crisis, Southeast Asia was the region with the least negative impacts. The results of this economic growth have made the defense budgets of Southeast Asian countries increase.



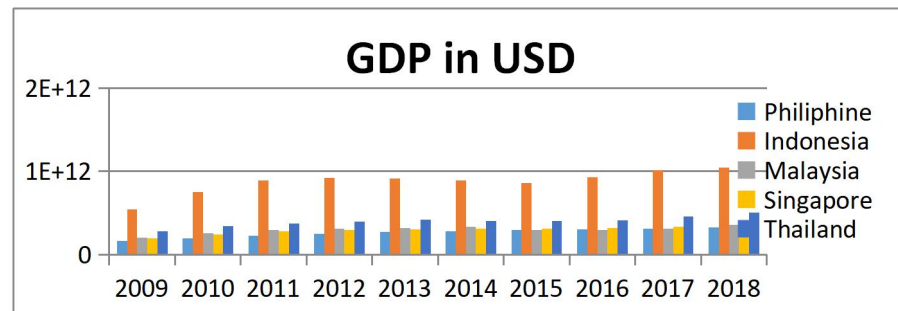
Source : World Bank Data

Graph 4.1
Military Expenditure

as you can see on the graph (Graph 4.1 Military Expenditure) the expenditure for military Singapore spent a lot of their money for military which reach 7 Trillions in 2009 and year by years their expenditure for military always increasing, in 2018 Singapore spent 10 Trillions for military, in 2009 the second place for most spent money for military was Thailand who reach 5 Trillions and the third place was Malaysia followed with Indonesia in the forth place, but in 2010 the expenditure of military Indonesia increasing slightly being a second place which reach 4 Trillions for military and year by years their expenditure for military constantly increasing until 2018.

2. Economic Growth

Economic growth is a process of changing a country's economic conditions on an ongoing basis towards better conditions for a certain period. Economic growth can also be interpreted as a process of increasing the production capacity of an economy that is realized in the form of an increase in national income. The existence of economic growth is an indication of the success of economic development in people's lives. Economic growth shows the growth of production of goods and services in an economic region within a certain time interval. The higher the level of economic growth, the faster the process of increasing regional output so that the prospects for regional development are better.



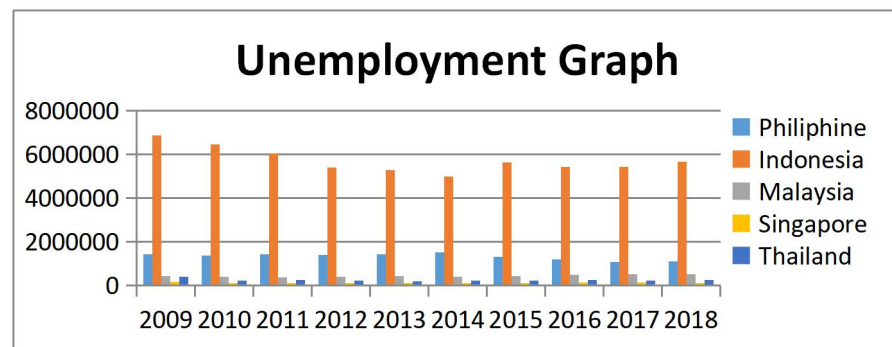
Source : World Bank Data

Graph 4.2
GDP In USD Graph

As you can see on Graph (Graph 4.2 GDP in USD Graph) Indonesia has an highest GDP in South East Asia which has GDP amount 755 Trillions year by years the GDP of Indonesia constantly increasing until 2018, the second place who has high GDP was Thailand has 288 Trillions in 2009 and the GDP of Thailand also increasing year by years, in the third place was Singapore who has amount of 200 Trillions GDP on 2009 and the GDP of Singapore also increasing year by years until in 2018 Singapore has 366 Trillions.

3. Unemployment

Unemployment is a group of labor force who has not done an activity that generates money. Unemployment is not limited to people who have not worked. Even people who are looking for work and people who are working but not productive work can be categorized as unemployed.



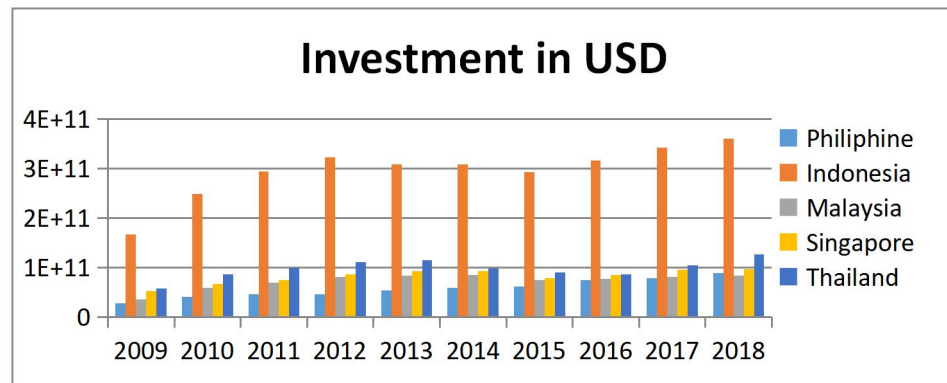
Source: World Bank Data

Graph 4.3
Unemployment Graph

Asia you can see on graph (Graph 4.3 Unemployment Graph) Indonesia has the biggest unemployment not only in south east asia but also in the world Indonesia reach 3th the biggest unemployment in the world which on 2009 indonesia has around 7 millions unemployment and years by years the amount of unemployment in Indonesia is decreasing until 2014 which Indonesia has 5 millions unemployment but in 2015 the amount of unemployment Increasing reach 5.5 millions and in the next year the amount of unemployment in Indonesia begin decreasing until 2018, in the second place Philipphine has a amount of unemployment reach almost 2 millions and always decreasing year by years until 2018.

4. Investment

ASEAN still has great potential in attracting investment. Because in addition to the elements of growth and market size, that there are several ASEAN countries that are considered to have locations that support investment, for example for market growth, Indonesia and Thailand are some developing countries that are of interest.



Source : World Bank Data

Graph 4.4
Investment in USD Graph

As you can see on Graph (Graph 4.4 Investment in USD Graph) Indonesia has an highest Investment in South East Asia which has Investment amount 166 Trillions year by years the Investment of Indonesia constantly increasing until 2018, the second place who has high GDP was Thailand has 58 Trillions in 2009 and the Investment of Thailand also increasing year by years, in the third place was Singapore who has amount of 57 Trillions Investment on 2009 and the Investment of Singapore also increasing year by years until in 2018 Singapore has 96 Trillions.