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"The Resource Curse in ASEAN: Assessing risks and progresses"

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DEDICATORY

TO MY PARENTS AND SISTER, WHO HAVE ALWAYS SUPPORTED ME ON MY DECISIONS, HELPING ME TO ACHIEVE MY PERSONAL GOALS DESPITE HOW AMBITIOUS THEY MIGHT HAVE BEEN AND THE SACRIFICES THEY MIGHT HAVE IMPLIED.

APPRECIATIONS

I WOULD LIKE TO EXPRESS MY GRATITUDE TO MY TUTOR NATALIA DEL BARRIO FOR HER ASSISTANCE ON THE DRAFTING OF THIS PAPER. I WOULD ALSO LIKE TO THANK MY MENTOR BIENVENIDO GAZAPO, FOR HIS SUPPORT AND GUIDANCE THROUGHOUT MY TIME AT THE UNIVERSITY.

ABSTRACT

ASEAN's fast economic growth and rising importance in global trade and capital flows are increasing the region's geopolitical relevance, helping it emerge as a key international player. One of the main causes contributing to this transformation is the possession of large reserves of strategic minerals, precious stones and fossil fuels. However, this natural wealth brings important political and economic challenges that question the region's capacity to escape from the political economic phenomenon of the resource curse. This underlines the existing uncertainties about ASEAN's ability to transform its economic growth into real human development.

This research seeks to assess ASEAN's regional and domestic current socio-political and economic panorama, evaluating areas of risks and progresses within the context of the resource curse.

Keywords: Resource Curse, ASEAN, sustainable development, natural resource management, political economy.

RESUMEN

El rápido crecimiento económico de ASEAN, unido a su creciente relevancia en materia de comercio exterior y flujo de capitales, están incrementando la importancia geopolítica de la región, haciendo que aflore como un importante actor internacional. Uno de los motivos principales detrás de esta transformación es la posesión de grandes reservas de minerales estratégicos, piedras preciosas y combustibles fósiles. Sin embargo, esta riqueza natural trae consigo importantes retos político-económicos que ponen en entredicho la capacidad de la región para hacer frente al fenómeno conocido como *maldición de los recursos*, cuestionando si ASEAN será capaz de transformar su crecimiento económico en desarrollo humano.

Este proyecto pretende analizar el panorama actual sociopolítico y económico de ASEAN a nivel regional y doméstico, evaluando las áreas de riesgo y los progresos acometidos en el contexto de la maldición de los recursos.

Palabras-clave: Maldición de los recursos, ASEAN, desarrollo sostenible, gestión de recursos naturales, economía política.

GENERAL INDEX

CONTENTS PAGE

1. INTRODUCTION 1

1.1. RESEARCH PROBLEM 1

1.2. RESEARCH QUESTION 4

1.3. OBJECTIVES 4

1.3.1 General Objective 4
1.3.1. Specific Objectives 4

1.4. JUSTIFICATION 5

1.4.1. Importance 5
1.4.2. Originality 6
1.4.3. Scientific and practical contribution 7

2. RESEARCH METHODOLOGY 7

2.1 GATHERING OF INFORMATION 7

2.2 VARIABLES 9

2.3 METHODOLOGY 10

3. THEORETICAL FOUNDATION 11

3.1 PREVIOUS LITERATURE 11

3.2 THE HYPOTHESIS: PROPOSED MODEL 17

3.3 HYPOTHESES COMPARISON AND RESULT ANALYSIS 20

4. CONCLUSIONS 38

4.1 EXTEND AND LIMITATIONS OF THE RESEARCH 41

4.2 FUTURE LINES OF RESEARCH 42

5. BIBLIOGRAPHIC REFERENCES 43

ANNEX I: STATISTICAL DATA FOR EACH VARIABLE 47

ANNEX II: GOOD GOVERNANCE INDICATORS BY COUNTRY AND SOURCE OF ORIGIN 56

INDEX OF FIGURES

PAGE

FIGURE I: ASEAN'S REGIONAL AVERAGE FOR NINE DIFFERENT INDICATORS 21

FIGURE II: COMPARISON OF ASEAN WITH OPEC 24

FIGURE III: ECONOMIC GROWTH 26

FIGURE IV: NATURAL RESOURCE RENTS VS. ECONOMIC GROWTH 27

FIGURE V: HUMAN DEVELOPMENT INDEX 28

FIGURE VI: POLITICAL STABILITY AND ABSENCE OF VIOLENCE 30

FIGURE VII: GOVERNMENT EFFECTIVENESS 31

FIGURE VIII: REGULATORY QUALITY 32

FIGURE IX: RULE OF LAW 34

FIGURE X: CONTROL OF CORRUPTION 35

FIGURE XI: VOICE AND ACCOUNTABILITY 36

INDEX OF TABLES

PAGE

TABLE 1- NATURAL RESOURCE RENTS IN ASEAN (AS GDP %) 3
TABLE 2- RESEARCH VARIABLES 9
TABLE 3- OPEC MEMBER STATES RANKED BY OIL RENTS (AS GDP %) 18
TABLE 4- ECONOMIC GROWTH 47
TABLE 5- NATURAL RESOURCE RENTS 48
TABLE 6- HUMAN DEVELOPMENT INDEX 49
TABLE 7- POLITICAL STABILITY & ABSENCE OF VIOLENCE 50
TABLE 8- GOVERNMENT EFFECTIVENESS 51
TABLE 9- REGULATORY QUALITY 52
TABLE 10- RULE OF LAW 53
TABLE 11- CONTROL OF CORRUPTION 54
TABLE 12: VOICE AND ACCOUNTABILITY 55
TABLE 13- POLITICAL STABILITY AND ABSENCE OF VIOLENCE (SOURCES USED FOR ASEAN). 56
TABLE 14- POLITICAL STABILITY AND ABSENCE OF VIOLENCE (SOURCES USED FOR OPEC) .. 56
TABLE 15- GOVERNMENT EFFECTIVENESS (SOURCES USED FOR ASEAN) 57
TABLE 16- GOVERNMENT EFFECTIVENESS (SOURCES USED FOR OPEC) 57
TABLE 17- REGULATORY QUALITY (SOURCES USED FOR ASEAN) 58
TABLE 18- REGULATORY QUALITY (SOURCES USED FOR OPEC) 58
TABLE 19- RULE OF LAW (SOURCES USED FOR ASEAN) 59
TABLE 20- RULE OF LAW (SOURCES USED FOR OPEC) 59
TABLE 21- CONTROL OF CORRUPTION (SOURCES USED FOR ASEAN) 60
TABLE 22- CONTROL OF CORRUPTION (SOURCES USED FOR OPEC) 60

TABLE 23- VOICE AND ACCOUNTABILITY (SOURCES USED FOR ASEAN) 61

TABLE 24- VOICE AND ACCOUNTABILITY (SOURCES USED FOR OPEC) 61

INDEX OF ABBREVIATIONS

Abbreviation	English	Spanish
ADB	African Development Bank	Banco Africano de Desarrollo
AFR	Afrobarometer	Afrobarómetro
APAEC	ASEAN Plan of Action for Energy Cooperation	Plan de Acción para la Cooperación Energética de ASEAN
ASD	Asian Development Bank	Banco Asiático de Desarrollo
ASEAN	Association of Southeast Asian Nations	Asociación de Naciones del Sudeste Asiático
BPS	Business Enterprise Environment Survey	Encuesta sobre el Ambiente Empresarial
BRICS	Brazil, Russia, India, China and South Africa	Brasil, Rusia, India, China y Sudáfrica.
BTI	Beterlsmann Transformation Index	Índice de Transformación Beterlsmann
CCR	Countries at the Crossroads (Freedom House)	“Países en una encrucijada” de Freedom House
EBR	European Bank of Reconstruction & Development Transition Report	Informe de Transición del Banco Europeo para la Reconstrucción y el Desarrollo
EIU	Economist Intelligence Unit	Unidad de Inteligencia Económica
FDI	Foreign Direct Investment	Inversión Extranjera Directa
FRH	Freedom House	Freedom House

Abbreviation	English	Spanish
GCB	Global Corruption Barometer Survey (Transparency International)	Barómetro Mundial de la Corrupción (Transparencia Internacional)
GCS	Global Competitiveness Survey	Encuesta Global de Competitividad
GDP	Gross Domestic Product	Producto Interior Bruto
GII	Global Integrity Index	Índice Global de Integridad
GWP	Gallup World Poll	Encuesta Mundial de Gallup
HDI	Human Development Index	Índice de Desarrollo Humano
HER	Heritage Foundation Index of Economic Freedom	Índice sobre la libertad económico de la Heritage Foundation
HUM	Cingranelli-Richards Human Rights Data Base	Base de datos de Derechos Humanos Cingranelli-Richards.
IFD	IFAD Rural Sector Performance Assessment	Evaluación de la Actuación del Sector Rural de IFAD
IJT	IJET Country Security Risk Ratings	Clasificación Nacional de los Riesgos para la Seguridad de IJET
IPD	Institutional Profiles Databases	Base de Datos de Perfiles Institucionales
IRP	IREEP African Electoral Index	Índice Electoral Africano de IREEP
LBO	Latinobarometro	Latinobarómetro
MS	Member States	Estados Miembros
MSI	Media Sustainability Index	Índice de Sostenibilidad de los Medios de Comunicación

Abbreviation	English	Spanish
OBI	Open Budget Index	Iniciativa de Presupuestos Abiertos
ODA	Official Development Assistance	Ayuda Oficial al Desarrollo
OECD	Organisation of Economic Cooperation and Development	Organización para la Cooperación y el Desarrollo Económicos
OPEC	Organisation of Petroleum Exporter Countries	Organización de Países Exportadores de Petróleo
PDR	People Democratic Republic	República Democrática Popular
PIA	Country Policy and Institutional Assessment	Evaluación de las políticas e instituciones
PRS	International Country Risk Guide	Guía Internacional sobre el Riesgo País
RCEP	Regional Comprehensive Economic Partnership	Sociedad Regional de Cooperación Comprensiva
RSF	Reporters Without Borders (Press Freedom Index)	Periodistas Sin Fronteras (Clasificación Mundial de la Libertad de Prensa)
TAGP	Trans-ASEAN Gas Pipeline	Gaseoducto trans-ASEAN
TPR	Trafficking in People Report	Informe sobre el Tráfico de Personas
VAB	Vanderbilt University Americas Barometer Survey	Encuesta Barómetro de las Américas, Universidad de Vanderbilt
WCY	World Competitive Yearbook	Anuario de la Competitividad Mundial

Abbreviation	English	Spanish
WGI	Worldwide Governance Indicators	Indicadores Mundiales de Gobernabilidad
WJP	World Justice Project	Proyecto Justicia Mundial
WMO	Global Insight Business Conditions and Risk Indicators	Indicadores sobre las Condiciones y Riesgos Empresariales
WTO	World Trade Organisation	Organización Mundial del Comercio

1. INTRODUCTION

1.1. Research Problem

With an extension of more than 4.4 million square kilometres and with more than 600 million people making up around 9% of the global population, the ten member states of the Association of South East Asian Nations -Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam- are emerging as important international players, turning the region into a global strategic area.

In the period 2010-2011, the region received 7.4% of global Foreign Direct Investment (FDI) inflows, while in 2012 its Gross Domestic Product (GDP) made up 3.1% of the world's total (ASEAN, 2014) and the regional average economic growth[1] was 5.5%(OECD, 2013 pp.2).[2] In addition, currently, it is the third top merchandise exporter of the world representing 7% of the global exports (WTO, 2013 pp.13). Furthermore, social and macroeconomic restructuration predicts a further growth of private consumption that will translate into an increase in trade flows (OECD, 2013 pp.3). Moreover, in terms of supply chains, Southeast Asia is emerging as a key global player in many different product categories (ASEAN, 2014).[3] In this context, the multiple Free Trade Agreements signed by the organisation and other neighbouring countries like Japan, China, Korea, India, Australia and New Zealand are likely to increase ASEAN's trading importance worldwide (ASEAN Secretariat, 2014).[4]

On a regional level, ASEAN has promoted the creation of two regional platforms to promote cooperation: the ASEAN Plus Three, a plan to increase cooperation with East Asian nations in the fields of politics, security, trade and investment, agriculture

[1] Note that data from Myanmar has been excluded.

[2] Similarly, forecasts for the period 2014-2018 expect an average 5.4 annual growth.

[3] In this paper, ASEAN and Southeast Asia have been used as synonyms.

[4] Apart from these bilateral agreements, ASEAN is also negotiating a Regional Comprehensive Economic Partnership[4] –RCEP-, an agreement that would unify these six bilateral trading agreements into one big regional pact (Australian Government).

and sustainable development (ASEAN Secretariat, 2014); and the ASEAN Regional Forum, to encourage dialogue and foster diplomacy (ASEAN Secretariat, 2011).[5]

However, ASEAN is a region of political, cultural and economic contrasts. Governance indicators highlight important divergences in the quality of policy-making between the different member states (World Bank Institute, 2013).[6] Also, the different cultural influences from India, China, Portugal, Spain, America and indigenous Malay people, have contributed to the emergence of many different local idiosyncrasies. Similarly, enormous differences in infrastructural and urbanisation levels emphasise social regional disparities. Moreover, while the economic growth and development of Singapore, Thailand and Malaysia is very optimistic, views concerning the performances of countries like Indonesia and Philippines are still doubtful (ASEAN, 2014).

These divergences translate into different domestic economic characteristics. For instance, Brunei and Singapore are the wealthiest states, the former driven by the power of oil, while trade, innovation, and high-end services are the main economic drivers for the latter; Indonesia has a small fiscal deficit, strong growth, and low government and external debt burdens; Thailand and Malaysia keep on growing steadily; Cambodia and Laos, are propelled by their natural resources abundance and the influence of rapidly growing neighbouring markets; while Vietnam continues to run high external current account and fiscal deficits, and has a large state enterprise sector (Nehru, 2012).

Nevertheless, with the exception of Singapore, all ASEAN countries have a common economic feature: their economies are to different degrees dependent on natural resources (Nehru, 2012). In this sense, on an average regional basis[7], during the period 2002-2012 total natural resource rents accounted for 15% of the region's GDP

[5] It is also important to point out that there are other regional initiatives oriented to boost cooperation in which ASEAN MS are involved like the Trans-Pacific Partnership. However as not all MS are involved, this report only makes explicit reference to those project carried out on behalf of ASEAN.

[6] This issue will be developed later on in the report.

[7] Note that Singapore and Myanmar have been excluded. In the case of the former, the reason has been its condition as resource-poor country, while in the case of the latter there were no statistical data available.

(The World Bank).[8] Yet, the degree and extend of this dependency differs widely[9], being Brunei Darussalam, Lao PDR, Malaysia, Vietnam and Indonesia the countries where natural resources have the greatest contribution to their GDP (The World Bank).[10] Actually, in 2012, exports of fuels and mining products of Thailand, Philippines, Indonesia and Malaysia accounted for 21.4% of the total exports of this group of countries (WTO, 2013).

Table 1- Natural Resource Rents in ASEAN (as GDP %)

	2006	2007	2008	2009	2010	2011	2012	Average
Brunei	65.31	59.38	71.83	45,57	45.42	42.44	35.99	52.28
Cambodia	2.72	2.67	3.88	3.39	3.85	4.29	4.59	3.63
Indonesia	14.13	13.87	15.91	8.38	8.45	8.9	7.13	10.97
Lao PDR	16.28	15.13	16.91	14.62	18.55	20.78	19.5	17.4
Malaysia	18.53	16.61	19.68	11.61	10.77	10.82	9.8	13.97
Philippines	2.78	5.06	3.08	2.76	3.9	4.42	3.5	3.64
Thailand	5.64	5.38	7.42	4.28	4.29	4.5	4.31	5.12
Vietnam	15.97	15.33	18.21	10.09	11.73	13.37	11.78	13.78
ASEAN	17.67	16.68	19.61	12.59	13.37	13.69	12.08	15.1

Source: The World Bank

This common characteristic of the ASEAN community raises the question of the regional vulnerability to suffer from the "resource curse". This concept makes reference to the paradox that countries and regions with abundance in natural wealth –particularly depletable resources like minerals, gas and oil-, tend to perform economically worse than resource-poor countries. In this sense, many studies have focussed on the causes leading to this phenomenon and the impact they have on the economic and social development of these states (Singer, 1950, 1975; Nurske,1958; Sachs & Warner, 1995, 1999, 2001; Karl, 1997; Ross, 1999; Auty, 2001). The main

[8] Natural resource rents refers to the sum of oil rents, natural gas rents, coal rents -hard and soft-, mineral rents, and forest rents (The World Bank).

[9] Note that there was no data available for Myanmar.

[10] The average percentage of total natural resource rents during the period 2002-2012 was 53% for Brunei Darussalam, 14% for Lao PDR and Malaysia, 13% for Vietnam and 11% for Cambodia. For Indonesia, Thailand and Philippines natural resources accounted for less than 5% of their GDP.

findings point towards the importance of a well-planned political economy and good governance (Sovacool, 2010: 234).

Taking all the above into consideration, due to the growing geopolitical importance of the region and the importance that natural resources have for the domestic economy of these countries, this dissertation wants to study ASEAN's vulnerability to experience the resource curse, not only by focussing on the regional perspective but also on a country to country basis.

Therefore, the first part of the paper focuses on exploring the previous literature on the resource curse, analysing different definitions and the causes associated to this phenomenon. Afterwards, departing from these assumptions, the research moves on establishing a series of hypotheses and comparing different statistical data to refute them.[11]

1.2. Research Question

Are the resource-rich countries of the Association of Southeast Asian Nations (ASEAN) heading towards the resource curse?

1.3. Objectives

1.3.1 General Objective

The aim of this paper is to assess the regional situation of ASEAN with regards to the resource curse, identifying the areas that have progressed the most, as well as those that present the greatest weaknesses.

1.3.1. Specific Objectives

1) Evaluate the general panorama of the region in the context of the resource curse by assessing the current situation of the areas of governance more closely related to this phenomenon.

[11] The origin and characteristic of the data will be specified later on in the paper.

2) Identify sector-specific strengths and weaknesses.

3) Compare the regional situation with the domestic situation of ASEAN's member states.

1.4. Justification

The drivers for this research rest in various different issues that emphasise the importance of exploring the vulnerability of ASEAN with respect to the region’s risks to suffer from the resource curse.

First of all, the growing political and economic importance of the region, characterised by rapid economic growth, big population, strategic location and natural wealth, underlines the necessity to assure its sustainable development.

Another relevant point derives from its fast development pace. This prompt growth without an appropriate governmental management brings along big challenges to transform economic revenues into real human development and welfare.

In addition, a good knowledge of the current panorama is the basis to find solutions and design new political and legal strategies to solve the problems arising from the resource curse, thus impeding a further worsening of the situation.

Finally, contributing to a greater understanding of this research topic could serve to expand these findings to other similar neighbouring regions.

1.4.1. Importance

The relevance of this study rests essentially in the necessity to promote political stability in Southeast Asia due to its geopolitical weight. Instability in ASEAN countries would be counter-productive for the whole of Asia, as this region has emerged as a crucial counterbalancing power in the continent, mainly due to the economic and security ties forged with other big regional actors like China and Japan. Likewise political and economic uncertainty in the region would have a negative impact in global trade, as ASEAN constitutes a very important trade market.

Furthermore, Southeast Asian countries have become important competitors to other Asian players like China or India, serving as alternative suppliers of raw materials and manufactured goods, hence promoting price stability in the international markets.

In this sense, this research seeks not only to deepen general knowledge about macroeconomic and political problems arising from the trade of mineral resources, but also to try assessing where the main risks and weaknesses rest, in order to help policy-makers find suitable solutions to tackle the issue.

Moreover, regardless of the existence of many studies concerning the resource curse, there is no single theory that is able to explain on a general basis the fully implications and causes that lead to it. The main reason behind it is the complexity to understand the fundamentals of sustainable development. In this sense, although different disciplines from the social sciences have agreed on the relationship between the resource curse and good governance, economic growth and human development, scholars have not so far been able to fully agree on what these terms imply and how they interrelate. Likewise there is no consensus on how factors such as culture impact them. Therefore, further research on the topic is pertinent to contribute to a better understanding of the issue.

1.4.2. Originality

This research project is not a mere continuation of previous works on the impact of the resource curse in Southeast Asia. It opens a new research frame by exploring new variables –more countries and more indicators.

Another original aspect of this project relies on its methodology. In this respect, in contrast with previous studies concerning the resource curse in the region, this research uses aggregate indicators. This allows to summarise a complex array of information in a simplify manner taking into account a wider range of data that other measurements cannot take into consideration. In addition, the values that are to be used to quantify different governance aspects come from different sources, minimising bias interpretation of data, thus producing more objective findings.

1.4.3. Scientific and practical contribution

From the scientific perspective, the main contribution of this paper lays on the research methodology. The introduction of aggregate indicators to analyse the phenomenon of the resource curse opens the door to establish a new framework for the study of this matter. Data used in previous works on the issue originated from a single source. The new approach proposed in this project, bases its analysis on indicators whose data derives from the compilation of different statistical measurements, which despite originating in different sources, follow similar methodologies. This allows elaborating better conclusions as contrasting variables are more complete.

With respects to the practical contribution, the assessment of the current situation in ASEAN regarding the resource curse could be very useful in the design of new regional and domestic policies to further combat this issue. This is of especial importance, as the region´s prospects suggest a greater economic role of its natural fuels and mining reserves[12]. In this context, a deeper understanding of the risks and areas of greater exposition is necessary to promote a more responsible regional agenda on this matter.

2. RESEARCH METHODOLOGY

In general terms, this research is based on a quantitative analysis that departs from an analytical overview on the researched issue to then develop a comparative research.

2.1 Gathering of information

The main sources consulted for the gathering of the statistical information used to

[12] With concerns to natural fuels, ASEAN´s prospects to become the “Persian Gulf of Gas” indicates the increasing role that this resource is expected to have on these countries’ economies (International Energy Agency, 2013: 11). Likewise, the huge reserves of coal, gold, rare earths and other strategic minerals together with their increasing markets suggest, that the trade of this commodities will become an important source of revenues for the region.

develop the comparative research were the World Bank and United Nations. These two institutions offer different statistical databases providing data from primary sources.

Due to the conception of this research, it is necessary to emphasise that the investigation is based on the comparison of aggregate indicators. This term refers to composite measures based on a large number of underlying sources.

In this context, it is important to differentiate between the statistical data measuring the GDP, natural resource rents and Human Development Index –HDI-, and the data referring to political stability and absence of violence, government effectiveness, regulatory quality, rule of law, control of corruption and voice & accountability.

Although in all cases the data originated from different aggregate indicators, the origin of the statistics for the first group -GDP, natural resource rents and HDI- rest in the sole work of the World Bank and the United Nations Organisation. These two bodies have been in charge of collecting the information and have delivered it in the shape of concrete indicators and indexes. However, in the case of the indicators used to explore the political dimension of the resource curse -political stability and absence of violence, government effectiveness, regulatory quality, rule of law, control of corruption and voice & accountability-, the origin of the statistical data comes from different indexes that share similar methodology and that have been processed afterwards by the World Bank Institute.[13] This institution has compiled all this information, rescaled it and produced new statistical measures. The result of this process is the Worldwide Governance Indicators -WGI.

In the WGI country reports, the World Bank Institute has rescaled each single indicator to run from 0 –low- to 1 -high. Nonetheless, this data is displayed only in two ways: as percentile ranks indicating the percentage of countries worldwide that rank lower than the studied country; or in the form of rescaled raw data (not compiled), classified by source of origin. In this sense, this research has made used of the rescaled raw data, calculating the average value for every year during the

[13] See Tables 14 to 25 in Annex II to understand the sources from which the each aggregate indicator has been calculated.

period 2006-2012, for each country and for the six political indicators.[14] In addition, to facilitate its contextualisation, the annually average measurements have been transformed into a percentile that encloses the information as follows: the lower the percentage, the worse the quality of the governance it is and vice versa.[15]

2.2 Variables

This research is based on the comparison of the performance of two different study groups: ASEAN's resource-rich countries and OPEC's top nine countries with greater oil rents. On the one hand, the study group made up of the Southeast Asian nations will be analysed both as a regional unit as well as on a country to country basis. On the other hand, the group composed by some of OPEC's member states will act as the control group.

To proceed with the comparison of these two groups, the paper focuses on nine different variables reassembling the economic, political and social dimensions related to the resource curse (see Table 2).

Table 2- Research variables

Economic Dimension	• Gross Domestic Product (GDP) • Natural Resource Rents
Political Dimension	• Political stability & absence of violence • Government effectiveness • Regulatory quality • Rule of law • Control of corruption • Voice and accountability
Social Dimension	• Human Development Index

[14] The countries studied are the nine resource-rich countries of ASEAN and OPEC's top nine oil exporters.

[15] See Tables 4 to 12 in Annex I for more concrete information.

The two economic variables are Gross Domestic Product and Natural Resource Rents. The former indicator reflects the economic performance of the region, whereas the later measurement serves to establish the impact of natural resources in the economy.

The political variables focus on the main aspects related to good governance: political stability and absence of violence, government effectiveness, regulatory quality, rule of law, control of corruption and voice & accountability (United Nations Human Rights).

Lastly, the variable concerning the social dimension is represented by the Human Development Index. A composite indicator that measures different issues such as life expectancy, literacy, GNI per capita, inequality, poverty, gender equality and sustainability within others (United Nations Development Programme).

2.3 Methodology

As it has been exposed, this quantitative study departs from an analytical examination of the issue, and follows with a comparative research based on statistical data originating on primary sources.

To start with, the paper will revise pre-existing literature to explore the fundamentals of the resource curse, focusing on exploring its causes and the risks associated with this phenomenon.

Then, after all the necessary statistical data is been compiled, the analysis will proceed by firstly studying current trends in ASEAN, which would a posteriori be contrasted with the trends experienced by the countries making up the control group. To do so, the data will be transformed into graphs to facilitate the visual comparison.

Finally, each of the variables will be analysed country by country by comparing them with ASEAN's regional trends, as well as to the tendencies showed by OPEC.

3. THEORETICAL FOUNDATION

3.1 Previous literature

During the last decades many scholars have discussed the impact that mineral resources have on the development of the countries that possesses them. The neo-classical tradition has always stated that the discovery and exploitation of this natural wealth is linked with the economic growth of a country, establishing a direct positive connection between resources and development (Davis & Tilton, 2005).

In this sense, resource-rich countries are expected to perform economically better than resource-poor countries, as the former hold an extra competitive advantage when compared with the latter. However, empirical data show a different story. Countries like Singapore, South Korea or Taiwan have experienced an unprecedented economic development despite their scarce possession of natural resources (Auty, 2001).

Furthermore, the account of many resource-abundant states has produced a very different narrative. Regardless of their inherent wealth, countries like Nigeria, Congo, Venezuela or Peru serve as evidence to prove that the ownership of raw materials do not imply economic success nor social and economic development.

Hence, during the second half of the XX century many scholars have criticised this association, arguing that there is a negative correlation between the two factors (Singer, 1950, 1975; Nurske,1958; Sachs & Warner, 1995, 1999, 2001; Karl, 1997; Ross, 1999; Auty, 2001).

As a result of these two different lines of thought, a big debate has emerged concerning this issue. On the one hand, the traditional position defends that in mining economies the natural capital can be transformed into other forms of capital such as physical, human, institutional and knowledge. In this sense, this argument upholds that the more natural resources a country has, the greater the output it can produced, thus the higher is per capita income should be expected to be. This would eventually lead to the generation of wealth that would in return revert in that nation, contributing to its economic growth and development. On the other hand, recent events in many developing countries all around the globe, suggest that this expected behaviour is not

necessary the real outcome of resource-rich countries. Therefore, the alternative view suggests that there are clear evidences to associate mining with slower economic growth (Davis & Tilton, 2005).

In this respect, some authors like Sachs and Warner (1995; 1999; 2001) have carried out different empirical researches in which they have explored the effect of different determinants of economic growth in the development process. With a special focus on the influence exerted by mining dependency in the economy of different countries, their findings have proven the existence of a negative correlation between mineral resources and economic development. This has shown that the greater the dependency on the mining sector, the slower the economic growth is.[16]

These studies have served as the departing point to consider the existence of a negative causal relationship between natural resources and economic growth. In this context, many different explanations have arisen not only in economic terms, but also politically and socially.

The first economic ideas on the matter go back to the period after World War II, when many structuralists questioned the developmental strategy that was being foster in many states. This plan was mainly based on the international trading of natural resources. Regardless of the traditionally assumptions enclose on these kinds of policies, these scholars argued that these economic strategies would be strongly affected by two macroeconomic conditions inherited by the markets: declining terms of trade, and volatility of international markets. Furthermore, they expressed their concerns about how dependency on one economic sector would impede the stimulation of other sectors, consequently hindering the economic boom of these countries (Ross, 1999: 301).

With regards to declining terms of trade, the main claim was that this phenomenon is the expected result from two interrelated processes. For one thing, prices of mineral commodities would tend to fall as market competition increases, hence leading towards declining terms of trade. Meanwhile, the initial betterment of the economy resultant from the mineral trade, would lead to an increase in the domestic demand of other products. Yet, as the economy specialises in the trading of those natural

[16] At least this is so in all the cases studied and compared in their research.

resources, the internal production would not meet the domestic demand of other goods leading to the growth of imports. In return this would augment the national sovereign debt, as well as the gap between the rich industrialised countries and the mineral economy (Singer, 1975). However, despite the fact that several studies about the impact of this matter in the economic growth have concluded that indeed prices of primary commodity tend to fall after a period of time, these investigations are considered valid on a global basis but are still vague to be used at the case-study level (Ross, 1999: 304).

Another characteristic linked to resource-based economic growth identified by the structuralists is volatile markets resultant from fluctuations in international demand. The outcome of this process leads to booms and recessions (Nurske, 1958), causing economic distress in the developing economies, promoting instability and affecting the policy-making process (Karl, 1997: 7)

Likewise, the experts also refer to the impact that natural resource wealth has on the rest of the economy. With this concern, scholars classify mining exploitation as an enclave activity, concentrating all the investments and leading them away from other economic sectors. The main outcome of this situation is the inability to diversify the domestic economy. As a consequence, imports of other goods increase, contributing to enhancing the problems related to declining terms of trade (Davis & Tilton, 2005).[17]

One more traditional economic effect that has been related to the resource curse is the Dutch Disease. This term refers to the abnormal, unsustainable and distorted economic growth of a country resultant from the rapid expansion of one economic sector in detriment of another sector of the economy (Karl, 1997: 5-6, 26-30). This phenomenon is related to two different effects: on the one hand, the growth of exports leads to the appreciation of the real exchange rate; on the other hand, due to the boom around the trading of this commodity, economic activities and investment tend to be moved away from manufacturing and agriculture, reallocating them in the resource sector. The main outcome of these two processes is a decrease in the export of agricultural commodities and manufactured goods. This translates in rising

[17] Hence, this serves to understand the process related to declining terms of trade.

prices of those products and services that are unable to be imported (Davis & Tilton, 2005). Nonetheless, researchers on this field have not been able to establish any concrete linkages between export instability and the resource curse, only managing to prove the impact of unstable exports on the overall economy from a general perspective (Ross, 1999: 304).

Other radical arguments speak of the role of foreign actors and the global power structures. Concretely they refer to the inequalities emerging from the capitalist system, arguing that the interests of the developing countries are subordinated in favour of the rich and well-developed countries (Rosser, 2006)

In political and social terms, scholars have focussed mainly on three aspects to explain the existence of the resource curse: decision-making choices, social aspects shaping state behaviour and pre-established socio-political and economic structures and their impact in political institutions (Ross, 1999: 305-319).

In the same way as the economic academics defend, revenues from resource booms might result in unsustainable development as economic policies might not been able to tackle negative outcomes related to the trading of mineral resources. However, the political explanation focuses on how the economic dependency upon a leading economic sector determines tax structures, institutions and other factors related to economic planning, impeding the diversification of the economy (Karl, 1997: 12-13).

Also, the initial betterment of the economy, resultant from the trade of the natural resource, tends to produce a boom in state expenditure, especially concerning public investments in infrastructure and employment creation. Yet, increasing dependency towards the extractive sector and the state-led economy persuades further economic restructuration promoting rent-seeking behaviours. This blurs the distinction between the political and economic role of the state, exacerbating institutional decay (Karl, 1997; Rosser, 2006).

Another proposed argument relates to wealth concentration patterns and maintenance of the status quo. In mining economies, revenues from this economic

sector normally go to the State.[18] Consequently, wealth is highly concentrated, establishing a strong linkage between power and plenty. This translates into the stagnation of the political process, as the policy environment does not provide with creative and alternative solutions to solve problems. In addition it also contributes to increase the role of the government in the economy. This hinders the competitiveness of the State, further reducing the possibilities to reform the economic system (Karl, 1997: 15, 93). Similarly, the accumulation of power determines the structuration of social and other organised interests, as well as the patterns for collective actions. All this accentuates disparities between the rural and urban areas, promotes further rent-seeking behaviour and a decline in the quality of institutions. Sometimes it also produces social unrest (Davis & Tilton, 2005).

A further political explanation of the origin of resource curse, speaks of the role and quality of the domestic institutions of a state.

Some authors depart from the assumption that economic development is the result of institutional changes. In this context the concept of *structuration of choice* emerges to explain how dependency on an export commodity leads to social and political transformation, that through the remodelling and emergence of institutions have a direct impact on decision-making processes. This transformation takes place as the system is reshaped to compile with the needs of the commodity industry. In exchange, this limits and determines the way political decisions are made (Karl, 1997: 6-11).

It is also important to emphasise, that several different aspects constrain choices: changes in notions of property rights derived from the nationalisation of companies related to the strategic commodity; influences of interests groups and organisations; competition between state and market forces; and pre-existing socio-politico structures containing subjective rules of conduct. All these factors have also a direct impact in the behaviour of the state which, as it was exposed before, is also determined by the preferences of individual policymakers. In point of fact, specialists

[18] The high-input feature of the industry, require a big initial investment which originally means that the sector is initially controlled by foreign companies. In turn, to try to obtain as much benefit as possible from them, the governments tend to impose high taxes on them or nationalise them after a while. As a consequence, the revenues from this sector are usually managed by the State.

point out that pre-established socio-political and economic structures create a concrete institutional legacy that construct and reduces the range of choices. These path-dependencies create “critical junctures” that reinforce the initial choices (Karl, 1997:10-18).[19]

One more state-centred approach focusses on the pre-existing features of the political institutions, establishing a direct connection between the resource curse and “grabble-friendly” institutions (Mehlum et al., 2002). In this sense, authors defend that when institutions are more prone to grab instead of produce, the risk of suffering the resource curse is greater (Mehlum et al., 2002).

Undoubtedly all these findings prove that the role of political economy and governance is crucial in the understanding of the resource curse (Sovacool, 2010: 234).

In this context, Sovacool (2010) explored the situation of the resource curse in Southeast Asia. For his research, the scholar chose to compare thirteen different economic, political and social indicators from Brunei, Indonesia, Malaysia, Myanmar and Thailand with similar indicators from two different control groups: OPEC’s top five oil producers and the BRICS. The paper concluded with positive remarks on the overall situation of the Asian countries on the issue of the resource curse.

To conclude with, the literature concerning this socio-political and economic phenomenon underlines that the reasons behind the resource curse are varied. Some authors have focused more on the economic aspects related to the trade of natural resources and dependency upon an economic sector; other scholars have centred on how the possession of natural resources shapes the socio-political panorama of a country. All these different aspects of the resource curse suggest that mineral wealth represents an opportunity for countries to boost their development but that depending on the governance quality and the policy decisions, it can become a blessing or a curse (Davis & Tilton, 2005).

[19] The concept “critical junctions” refers to the idea that path dependency leads to a series of choices that lead to a certain institutional development and are very difficult to be reversed.

3.2The Hypothesis: proposed model

Taking into account the previous literature on the resource curse, it can be concluded that the main factors behind the resource curse are the possession of mineral endorsement and lack of good governance.[20] According to this logic, the main common feature to all countries suffering from the resource curse is their dependency on the mineral sector. In this sense, the greater the economic importance of the extractive sector the greater the risk to suffer from the resource curse should be.

Departing from this assumption, this research paper wants to find an answer to the question "are the resource-rich countries of the Association of Southeast Asian Nations –ASEAN- heading towards the resource curse?" To do so, this study will firstly compare the average regional results of ASEAN's resource-rich countries with those of OPEC's main oil exporters.[21] Afterwards it will continue analysing the results on a country to country basis, delving into their individual developments as well as contrasting them with the regional progress on the issue.

The countries conforming Southeast Asia's group are those possessing important mineral endowments.[22] In this sense, from the ten countries conforming ASEAN, nine of them would correspond to that definition: Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Thailand and Vietnam.[23]

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[20] Despite a universal definition of this concept, the resolution 2000/64 passed by United Nations' Commission on Human Rights, establishes that the key features of "good governance" are: transparency, responsibility, accountability, participation and responsiveness. This resolution establishes these attributes as crucial to create an enabling environment to promote growth and human development (United Nations Human Rights).

[21] The selection of OPEC's countries is based on the importance that the mineral sector have on their economies. This particular feature should be related to their overall development capacity. Therefore comparing their trajectories with those of ASEAN can bring a clear understanding of the overall situation one in the Southeast Asian countries.

[22] The selection has been based on the composition of ASEAN Senior Official Meeting on Minerals – ASOMM (ASEAN Mineral Database and Information System).

[23] Due to the resource-poor nature of Singapore, this paper has not included it as part of ASEAN's control group.

The contrasting control group has been built up based on OPEC's top nine countries with bigger oil rents: Angola, Ecuador, Iran, Iraq, Kuwait, Libya, Nigeria, Saudi Arabia and Venezuela (see Table 3). The selection of these countries has been based on the fact that despite their enormous endorsements of oil, due to their dependency on this sector, countries belonging to this group have experienced very slow development, proving that they have not being able to transform the revenues proceeding from the trade of the black gold into real successful development. This places these countries as optimal paradigms to be compared with other groups, as they constitute a benchmark that serves to assess the progresses on the avoidance of the resource curse.

Table 3- OPEC Member States ranked by oil rents (as GDP %)

	2006	2007	2008	2009	2010	2011	Average
Iraq	92.5	84	85.4	70.6	73.6	77.7	80.63
Angola	62.6	58.7	70.7	44.3	46.6	46.3	54.87
Saudi Arabia	56.7	55.5	64.3	43.6	47.2	55.5	53.8
Libya	62.9	52.1	56.7	42.3	-	-	53.5
Kuwait	57.4	54.5	60.7	42.6	48.3	49.9	52.23
Iran	40.3	35	39.9	23.5	-	-	34.68
Nigeria	33.2	29.6	31.3	22.5	25.1	32.9	29.1
Venezuela	39.5	30.7	31.7	17.3	18.3	30	27.9
Ecuador	27.4	26.4	30.2	17.2	20.4	25.6	24.53
UAE	23.4	21.9	25.1	14.9	18.4	21.9	20.93
Algeria	23.1	22	23.1	15.5	16.9	19	19.93
Qatar	27.6	22.4	22.7	13.5	14.6	14.4	19.2

Source: The World Bank, 2014

To update previous regional research on the matter, the time frame selected to be assessed goes from 2006 to 2012. For that reason, statistical data for each indicator will be organised around each year conforming the study period.[24]

In order to measure their susceptibility with respect to the resource curse, different indicators from the economic, political and social dimensions should be measured. In

[24] Please note that the statistics from the Human Development Index, United Nations does not release the reports on a strict annual basis. Therefore although the results will indeed cover the same study period they will not be organised on a yearly basis. Nonetheless this should not affect anyhow the results as the research focuses on the trends.

this sense, taking into account previous works done on the matter, this paper will focus on the analysis of nine aggregated indicators: GDP and natural resource rents within the economic dimensions; in the political dimension political stability & absence of violence, government effectiveness, regulatory quality, rule of law, control of corruption and voice and accountability; and finally in the social dimension human development.

In this context, the proposed hypotheses are:

1) If on average, economic growth slows down and natural resource rents show an increasing trend while the indicators for the social and political dimensions show negative trend, ASEAN is heading towards the resource curse.

2) If on average, ASEAN's natural resource rents surpass that of the control group while the social and political indicators' performance fall behind that of the control group, ASEAN is heading towards the resource curse.

3) If on an individual basis, ASEAN member states show slower economic growth and an increasing role of their natural resource rents while political and social indicators reveal signs of decline, the risks for that country to suffer from the resource curse increase.

For the first hypothesis to be confirmed, one should presume to see a worsening on the average score of these indicators except in the case of natural resource rents, which should be expected to increase over time. In this sense, for the period 2006-2012, natural resource rents should be expected to progressively become more present in the domestic economies of the selected countries, impacting the growth of their GDP. On the contrary, during the same period of time political transparency, voice and accountability, regulatory quality, rule of law, government effectiveness and political stability should be expected to decrease underlying a worsening of the governance quality. Similarly, measurements of human development should be expected to show no positive changes.

Likewise, for the second hypothesis to be verified, one should expect for the Southeast Asian group to exceed the control group's average in terms of natural

resource rents while scoring below on the indicators referring to the political and social dimensions.

Equally, for the remaining hypothesis to be confirmed, one should anticipate to see that the individual country on examination presents higher natural resource rents than that of the regional average impacting the growth of the GDP. On the contrary, trends in political transparency, voice and accountability, regulatory quality, rule of law, government effectiveness and political stability should be expected to show a decline underlying a worsening of the governance quality. In the same way, measurements of human development should be expected to show lower scores.

3.3 Hypotheses comparison and result analysis

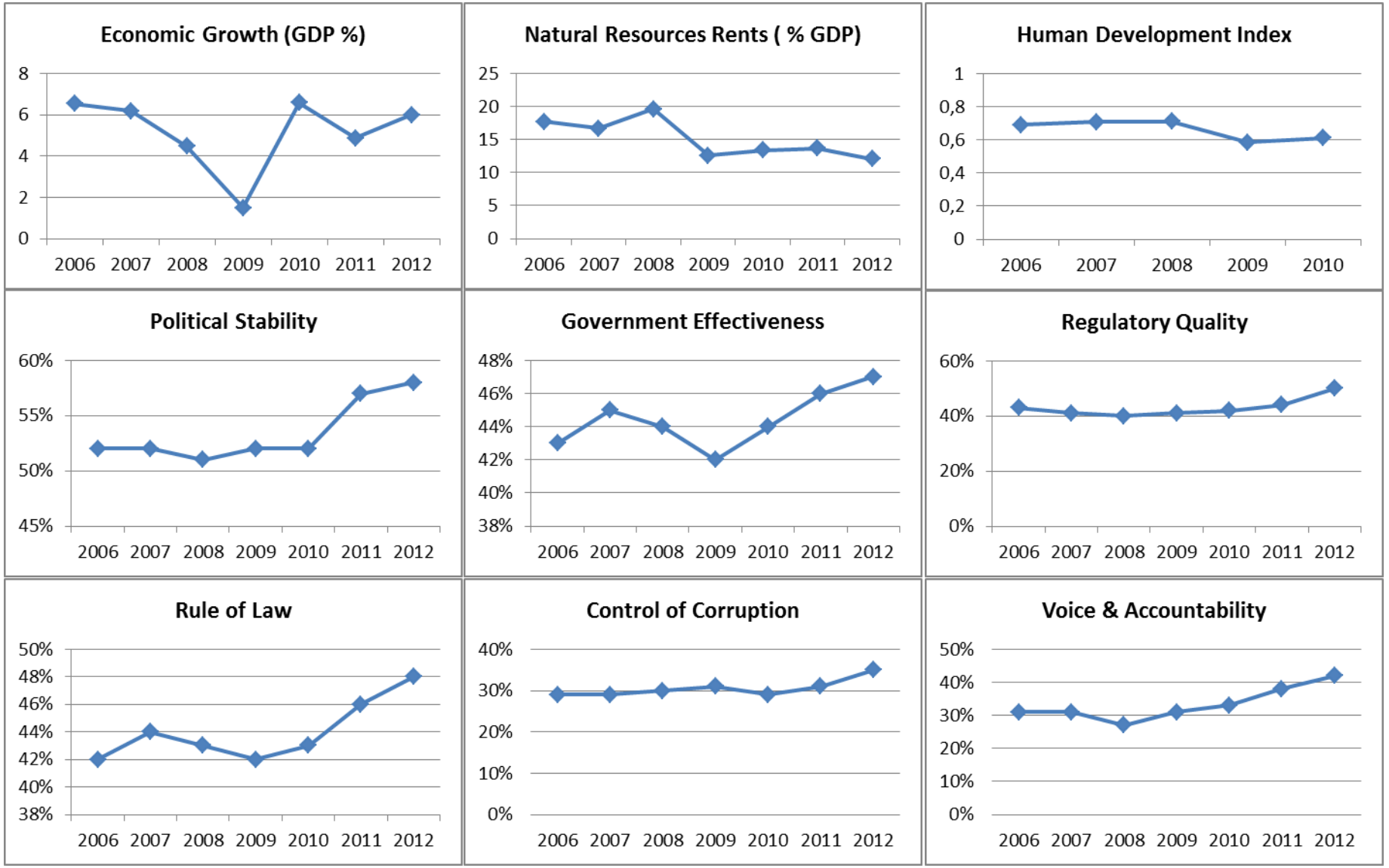
Opposite to what it should had been expected if the first hypothesis was to be refuted, the average regional results showed signs of the contrary, suggesting that on a regional basis ASEAN is managing to overcome the risks to suffer from the resource curse (see Figure I).[25]

While positive economic growth characterised ASEAN's economies, the rents originating from natural resources still play a relative small role in the region's GDP.[26] Departing from the assumption that output tends to increase over time due to the technical characteristics of the extractive industry, and taking into account the natural wealth that Southeast Asian countries have, these results suggest that on a regional basis, the risk of economic dependency on the mining sector is small. However, before the global economic crisis, revenues originating from the trading of natural resources had a greater role in the regional economy. This fact should not be neglected, as international economic recovery could once more generate boom in this sector, increasing the risks for the economy dependency on this sector.

[25] It is important to point out that fluctuations in the data related to the effects of the global financial crisis have been overlooked as these fluctuations were probably the result of the global economic and financial instability. This assumption is based on the fact that if the worsening of the situation had a domestic origin, the situation should have continued to worsen. However, the trends prove contrary, hence suggesting that the poorer results were the outcome of the global economic shock.

[26] Note that there is no data available for Myanmar, hence for this indicator, the regional average has been calculated based on eight countries.

Figure I: ASEAN's regional average for nine different indicators



Source: The World Bank; Human Development Index; The World Bank Institute

Likewise, contrary to what it should had been expected, results of the political dimensions show optimistic developments. In five out of the six indicators explored, the outcomes reflect a steady positive trend. The biggest improvements were recorded in the indicators referring to political stability, regulatory quality, rule of law and voice & accountability. These four political areas show stable and smooth improvements suggesting the implementation of beneficial institutional, administrative and political reforms. With respect to government effectiveness and control of corruption, results are slightly more erratic. Nevertheless overall, they also show a positive trend.

In this context, it is of especial relevance, the advancements made after the global financial crisis. Despite international market instability and market volatility, statistics reveal that ASEAN's policy-making and institutions have been able to overcome these difficulties. This reflects that the global economic shock has served to improve governance on an average regional basis.

On the other hand, the results exposed by the Human Development Index (HDI) are not conclusive to determine if ASEAN countries are successfully transforming their economic growth into overall development, especially when analysing the latest results. Despite the fact that lower outcomes in 2010 could be attributed to the modifications implemented in that years' HDI report, the outcome of the previous year presents already a lower score than in the previous reports.

A possible explanation could be founded on the fact that developmental policies in many of the ASEAN countries are funded with money proceeding from Official Development Assistance –ODA- programmes. Due to the global financial crisis, the amount of ODA was significantly reduced so that many projects were ceased or stopped; hence diminishing the impact and outreach of these policies which was reflect on the results of the Human Development Index reports. If this assumption was to be correct, this would imply that ASEAN's regional policies to promote development are still too dependent on foreign assistance, suggesting that despite important improvements, the region still needs to reinforce the shared mechanisms and institutions that focus on this issue.

Another conceivable explanation derived from the region's recent history, marked by

genocide, multiple wars and several dictatorship and even isolationist governments. These events devastated these countries, complicating the promotion of human development. Thus this must indeed be reflected in the statistical data.

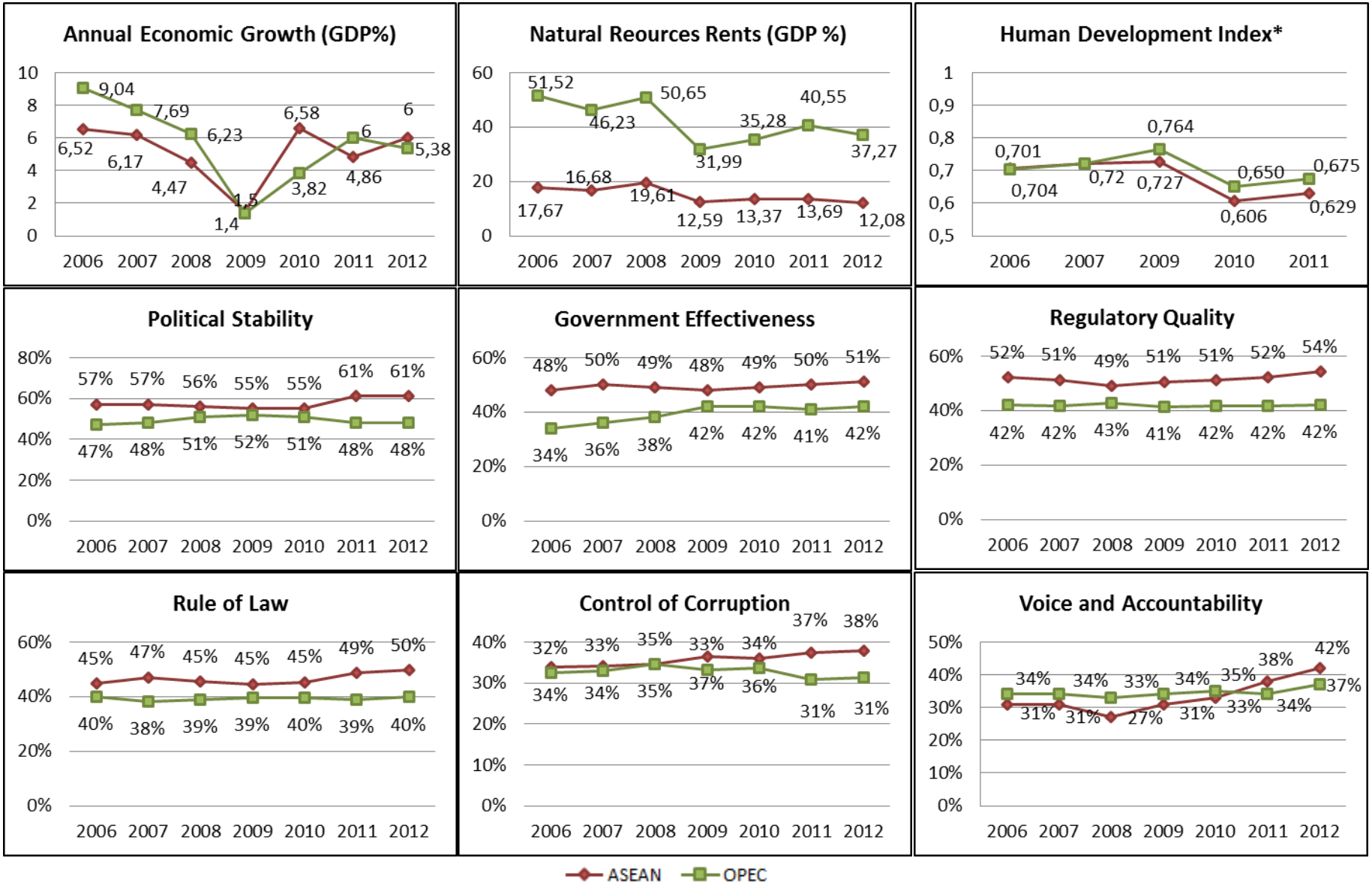
Taking the above into consideration, the tendencies reflected in the analysis of the different dimensions, suggest optimistic regional developments in the prevention of the resource curse. Yet, to get a better understanding of the real implications of these results, they should be contrasted with the control group: OPEC's top nine countries with high natural resource rents (see Figure II).

When comparing both regions, performance trends in each of the indicators show slight differences.

In the economic indicators -economic growth and natural resource rents-, OPEC's results reflect more erratic outcomes. In the context of the resource curse, one of the main problems associated to this phenomenon is slower economic growth. Even though the economic performance of OPEC's countries still shows economic growth, the erratic results indicate their higher regional vulnerability with respect to the resource curse. Similarly, the patterns presented by the natural resource rents, reveal that this natural wealth plays a crucial role in the regional average GDP. This corroborates the previous assumption on the reasons for the irregular economic performance. In this sense, ASEAN's more stable economic trends and lower involvement of the mining sector in the region's GDP imply less vulnerability to the resource curse.

Similar to what the economic patterns suggest, the outcomes of the six political indicators confirm important differences between the two regions. On one side, while the Southeast Asian region displays positive trends on a general basis, the OPEC mainly present signs of stagnation or very little improvement. This suggests that in ASEAN, the political process is concentrating on renovating and adapting institutions, administration and policy-making processes, whereas in the OPEC advancements in this matters are almost non-existent. On the other side, on a general basis, ASEAN's performance is better than that of the OPEC countries. In four of the six indicators -political stability, government effectiveness, regulatory quality and rule of law-, the results of the Asian region outperform those of the control group. Moreover, in the

Figure II: Comparison of ASEAN with OPEC



Source: The World Bank; Human Development Index; The World Bank Institute

two remaining indicators -control of corruption and voice & accountability-,despite initial lower results, recent outcomes have surpassed those of the OPEC.

Trends concerning the Human Development Index, announce less optimistic developments for the Southeast Asian region. This issue is very significant when determining the ASEAN' capacity to transform economic revenues into real development, especially as this matter is closely related to the effects derived from suffering the resource curse. The bigger the success in transforming economic growth into real development, the less prone the region is to suffer from the resource curse. In this sense, ASEAN countries present bigger differences than those of the OPEC. This suggests less efficiency in policies aiming to foment social development.

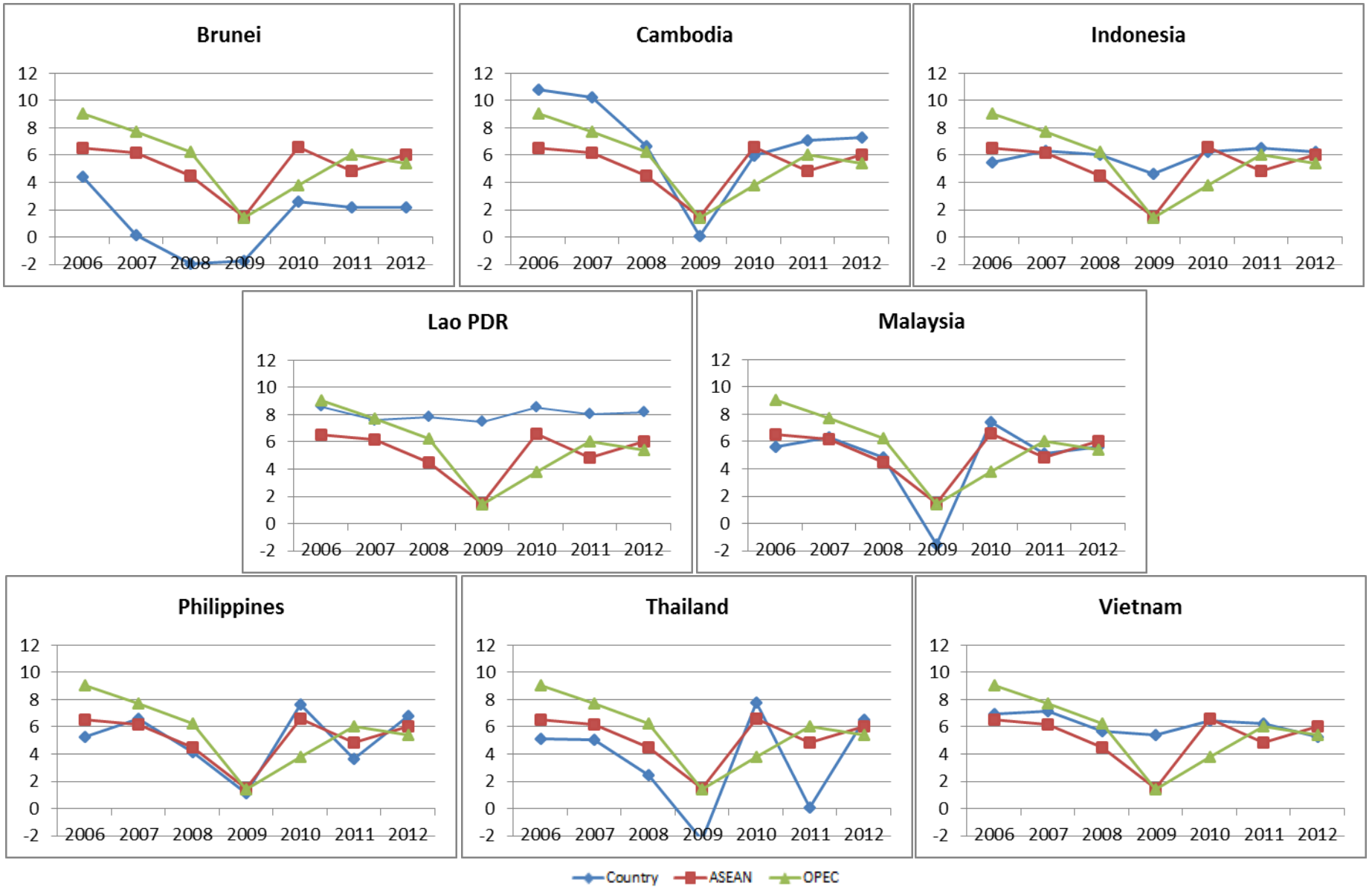
Comparing these results to the second proposed hypothesis -"if on average, ASEAN's natural resource rents surpass that of the control group while the social and political indicators' performance fall behind that of the control group, ASEAN is heading towards the resource curse"-, it can be establish that overall on a regional average basis, the performance of the Southeast Asian countries suggest that the region is avoiding the resource curse.

On a regional level, the results and patterns show a steady improvement in the areas explored, suggesting that ASEAN is working on its institutional empowerment, administrative efficiency and social justice. Nevertheless, on a country to country basis the results defer from the regional perception. Therefore a deeper analysis is needed to understand and explore the risks arising from the economic exploitation of their natural wealth.

In terms of economic growth (see Figure III) there are important differences between the countries of the region.[27] Only Cambodia, Indonesia, Lao PDR and Vietnam tend to perform economically above the region's average, whereas the economic growth of Brunei and Thailand is slower than ASEAN's average. Isolated, this indicator does not reveal anything relevant to assess the current situation with respect to the resource curse. Yet as many studies have proven, one of the motives related to slower economic growth is economic dependency on the mining sector. Consequently, when this indicator is compared with the impact that natural resource

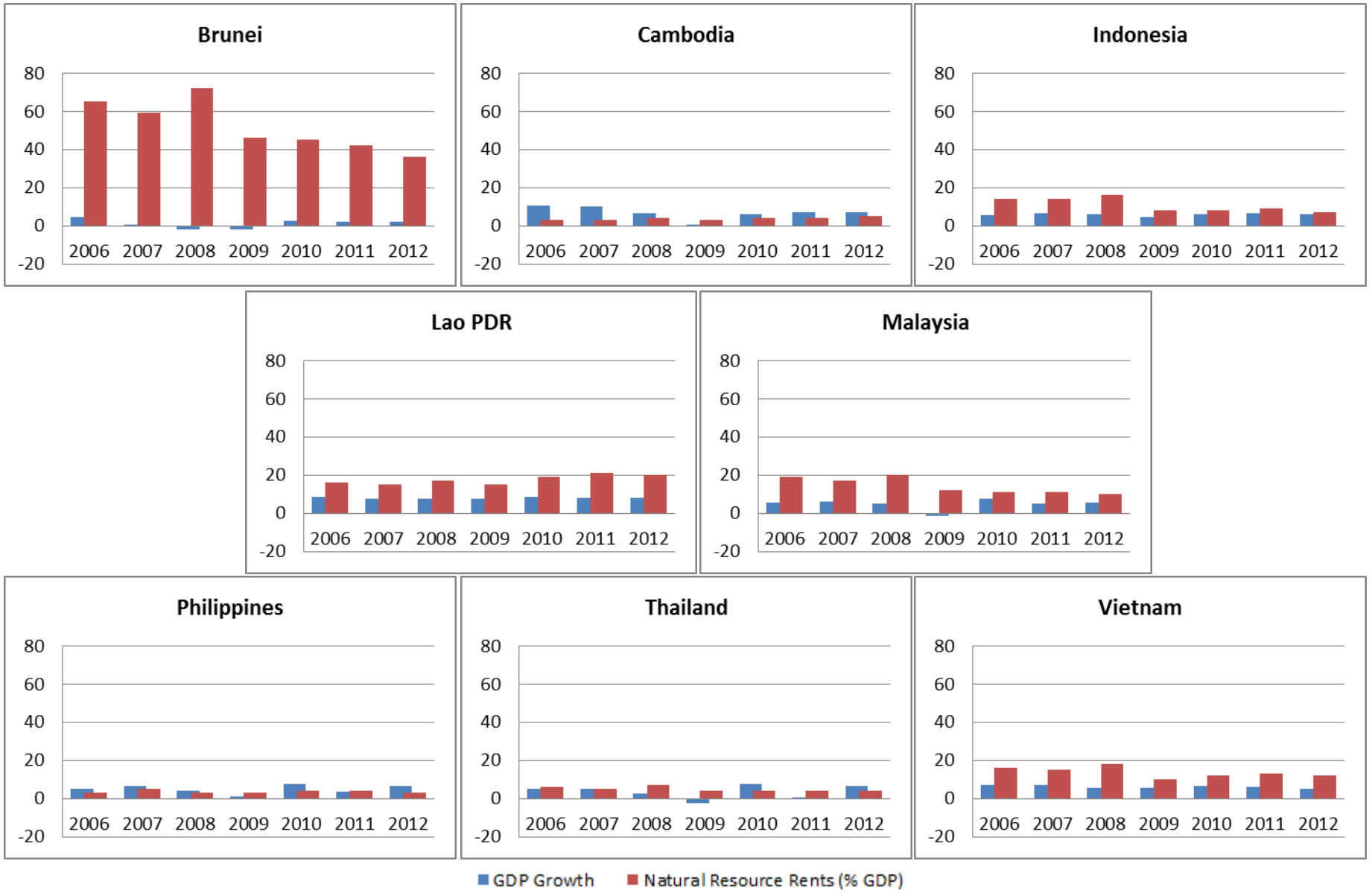
[27] Note that there was no data available for Myanmar.

Figure III: Economic Growth



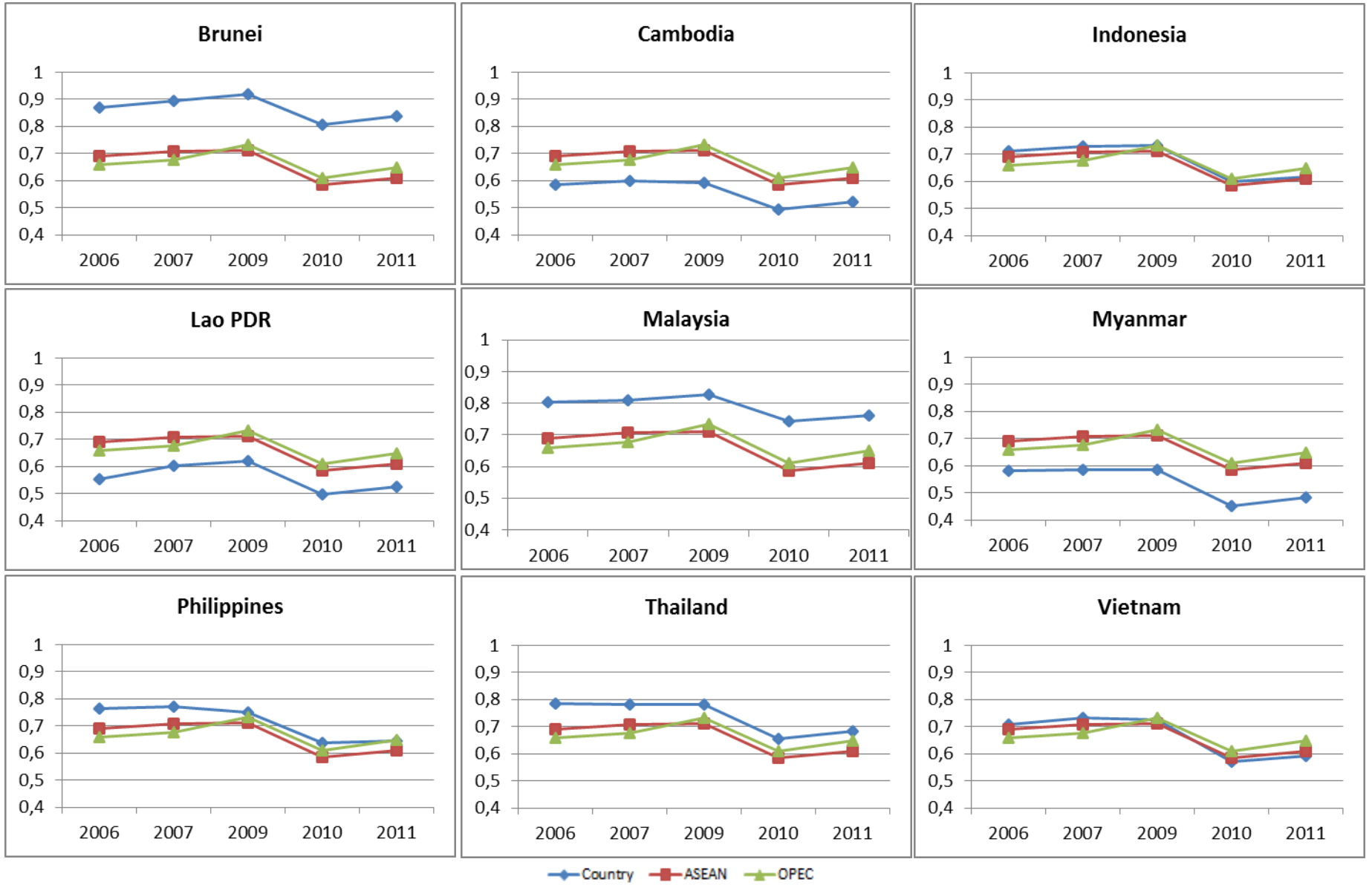
Source: The World Bank

Figure IV: Natural Resource Rents vs. Economic Growth



Source: The World Bank

Figure V: Human Development Index



Source: Human Development Index

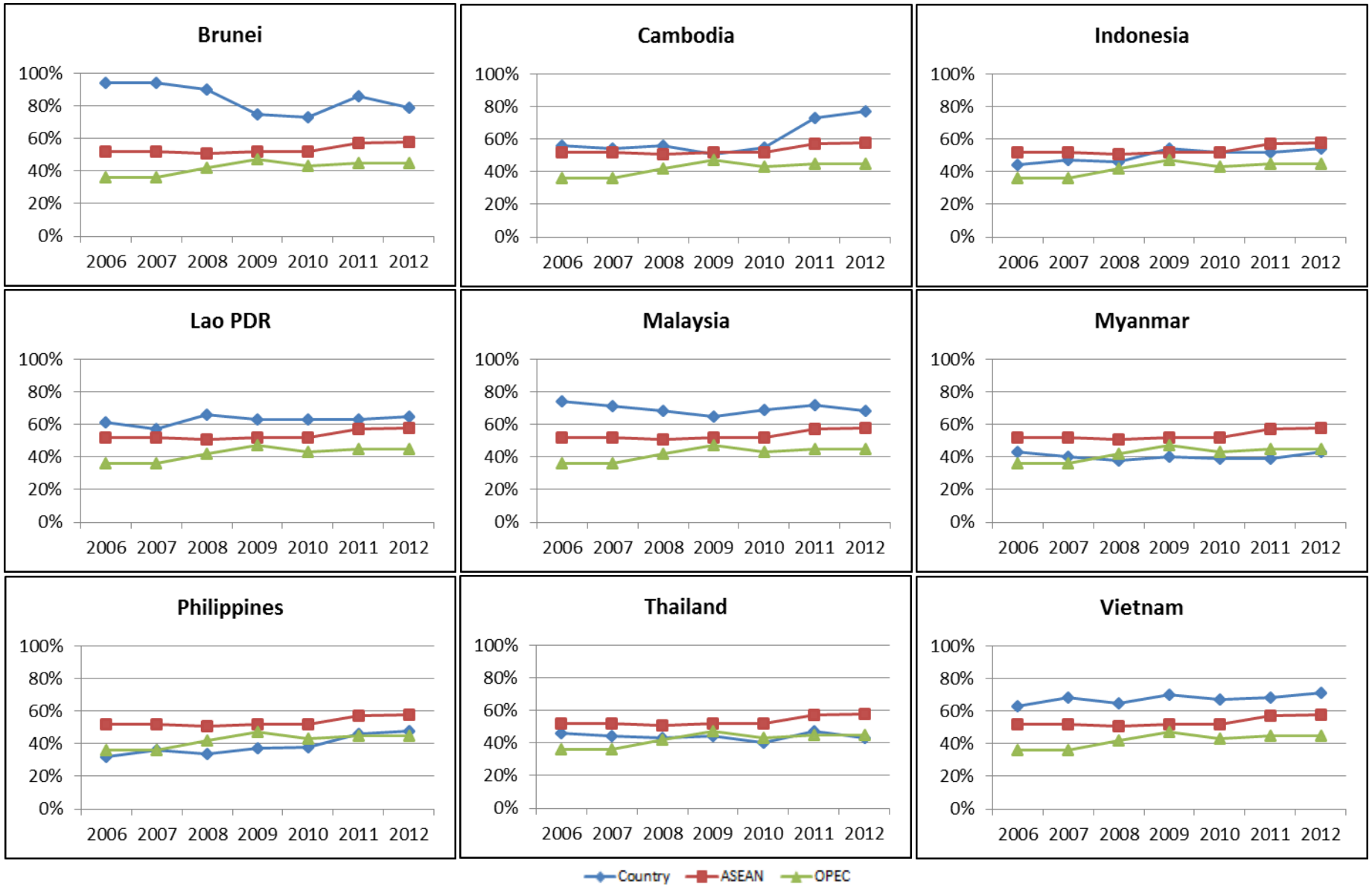
rents have on these countries (see Figure IV), the outcomes are more significant. In this sense, the case of Brunei stands out. Results for this country reveal that the bigger the relevance of the natural resources in the economy, the slower the economic growth is. This unveils the great dependency that the country has on its natural wealth, a factor crucial to determine the degree to which a country is prone to suffer from the resource curse.

In reference to the Human Development Index, trends show important divergences (see Figure V). Brunei, Malaysia, Philippines and Thailand perform above both the Southeast Asian and OPEC's regional averages. The results of Indonesia and Vietnam are within the region's average, while Cambodia, Lao PDR and Myanmar got lower scores.

With regards to political stability and absence of violence, when ASEAN countries are compared individually with the regional average, some points are to be mentioned (see Figure VI). The case of Thailand is of particular importance. This country not only scores below the regional average but also show a recent tendency towards increased instability and violence. Likewise, Thailand's results in this indicator are pessimistic when compared to the OPEC's average. Other countries presenting poor scores on this dimension when compared both with ASEAN and OPEC are Indonesia, Philippines and Myanmar. Yet, their trend seems more optimistic with a steady improvement of the overall situation. The rest of the ASEAN member states show better performances.

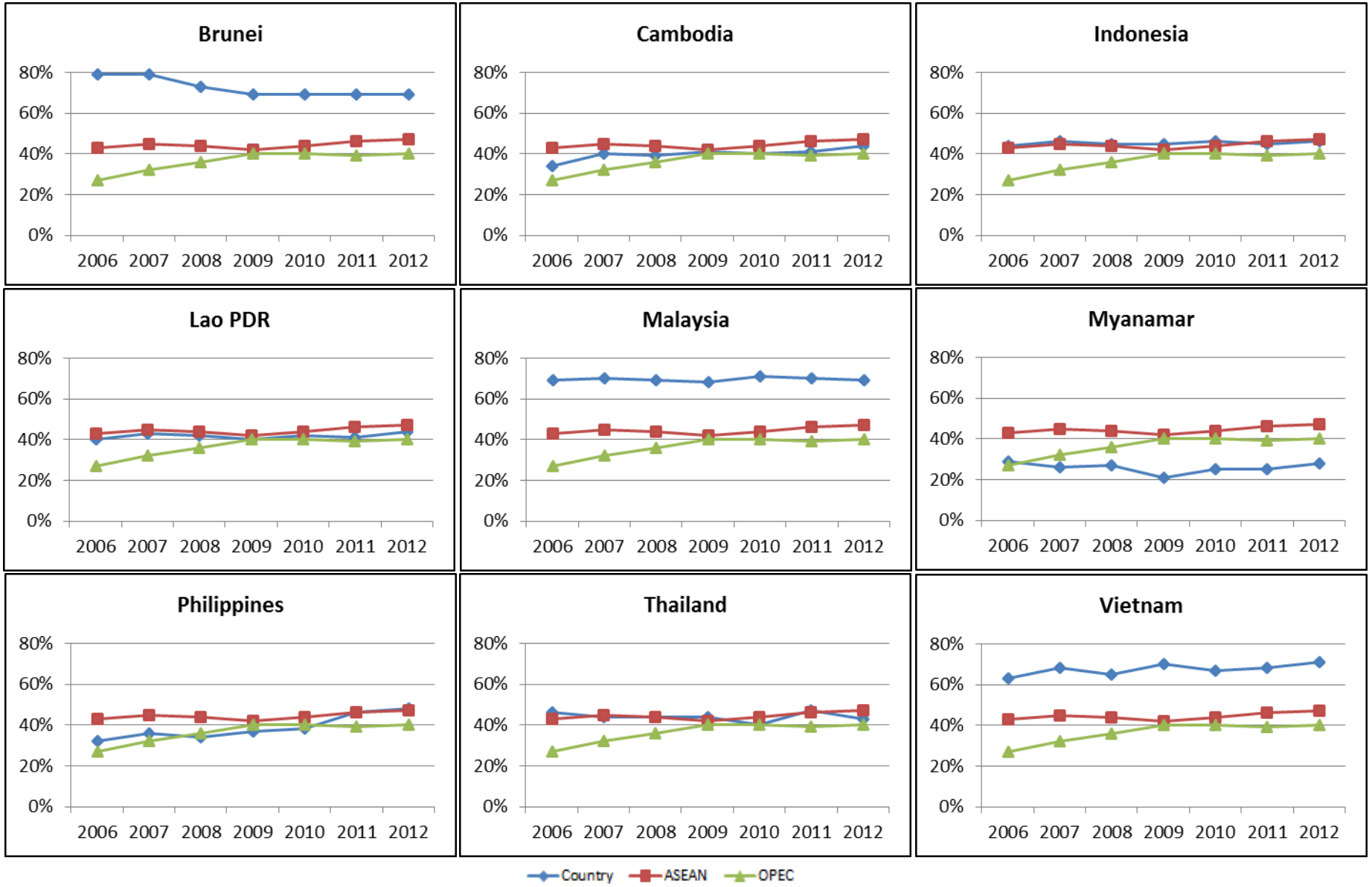
One of the dimensions in which result differ the greatest is government effectiveness (see Figure VII). In this particular aggregate indicator, only three countries –Brunei, Malaysia and Vietnam- performed above ASEAN's average throughout the whole study period. The performances of Indonesia, Lao PDR and Thailand were very similar scoring values similar to the regional average. Nonetheless, in the cases of Cambodia and Myanmar, the results seem optimistic as they show a relatively steady improvement. On the other hand, when domestic results are compared with those of the OPEC group, Myanmar and Philippines are the only Southeast Asian countries presenting an inferior performance.

Figure VI: Political Stability and Absence of Violence



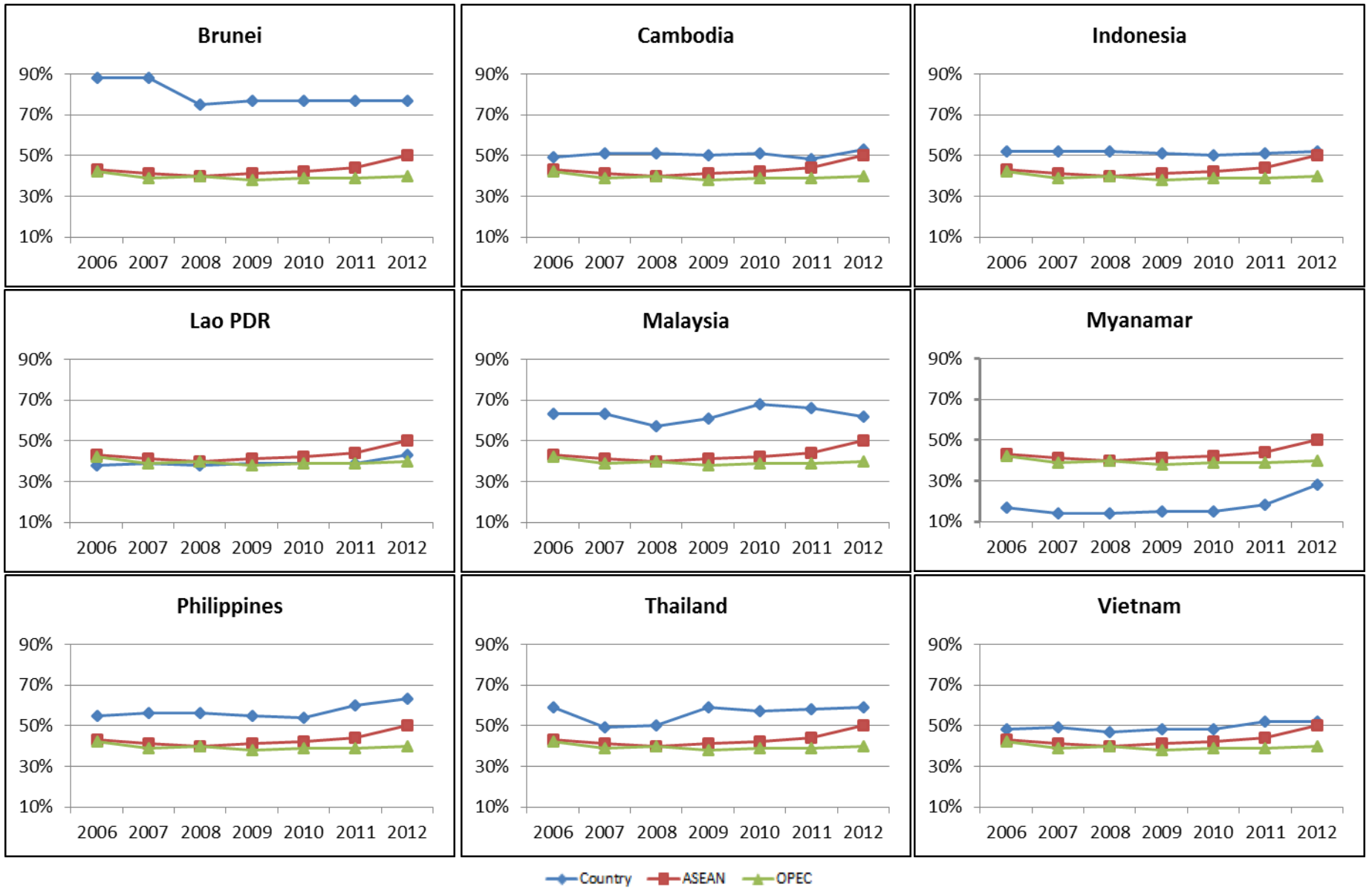
Source: The World Bank Institute

Figure VII: Government Effectiveness



Source: The World Bank Institute

Figure VIII: Regulatory Quality



Source: The World Bank Institute

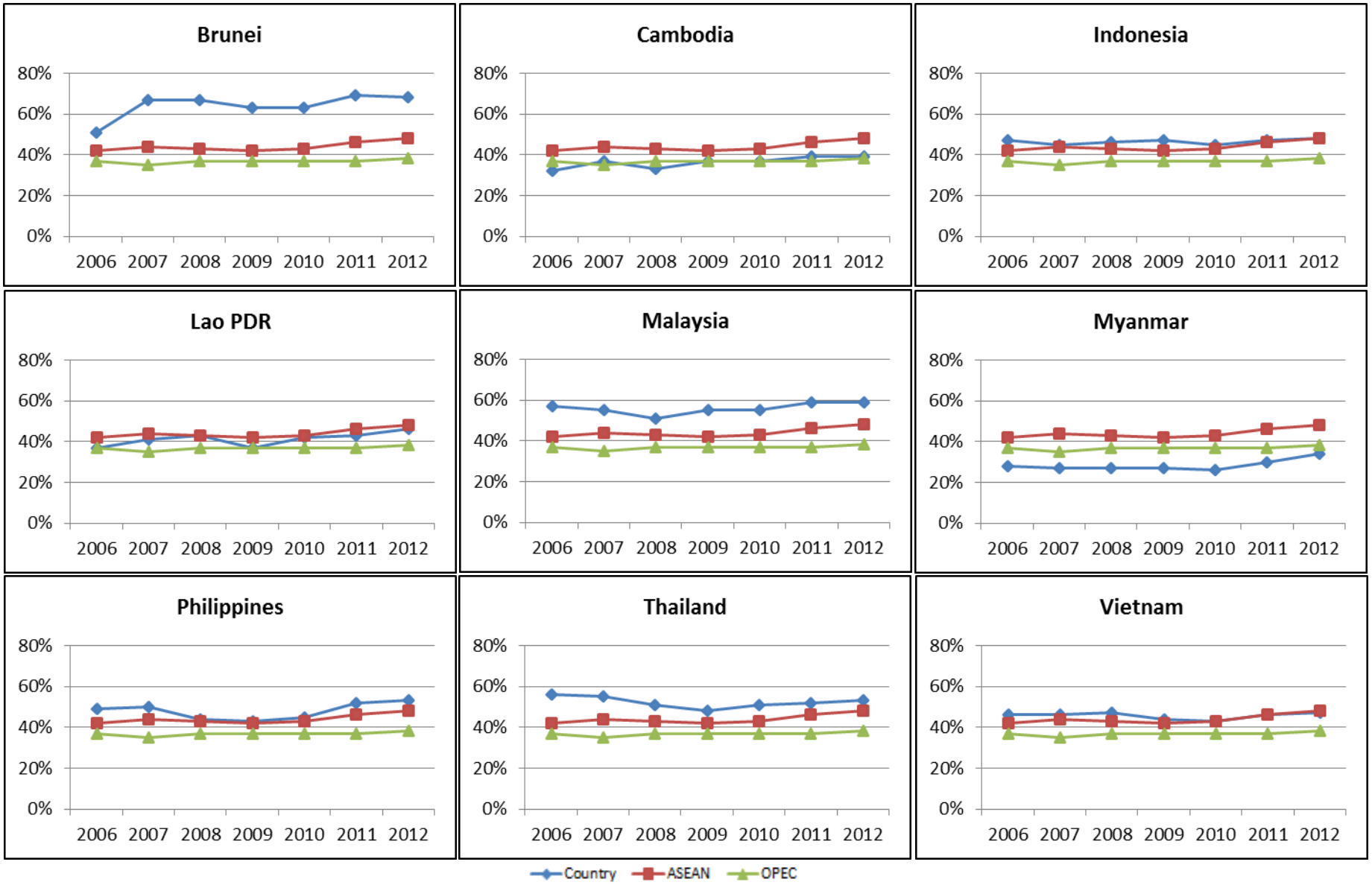
There are also significant differences in the scores concerning regulatory quality (see Figure VIII). Once more the results from Myanmar rest lower than ASEAN's regional records. The general trend is positive with only Malaysia and Lao PDR presenting a decline in their figures, and Brunei, Indonesia and Vietnam showing signs of stagnation. When these meters are contrasted with the OPEC's results, similar patterns appear.

The outcomes concerning rule of law present further divergences (see Figure IX). On the one hand, Myanmar, Cambodia and Lao PDR continue to score below the rest of their regional group. Furthermore, despite initial positive trends, Vietnam has been unable to perform as good as the other countries of the region since 2009. On the other hand, all countries seem to present improvements on this political dimension, indicating an improvement in their judicial system. Nevertheless, with the exception of Brunei, no other studied country has scored above 60%. Similarly the regional average is still below 50% of the total score it could achieve. This proves that significant changes in the judicial apparatus are still needed. In this context, when these outcomes are compared with the OPEC, Myanmar and Cambodia continue to get lower scores. This fact emphasises that within this political factor, these two states present the greatest risks of being unable to counteract the threats derived from the resource curse.

One of the most relevant political aspects of the resource curse is corruption. Despite performing above the regional average, it is of relevance to point out that the latest scores of Brunei, Indonesia, Thailand and Vietnam show a negative trend. Conversely, Cambodia, Lao PDR and Myanmar, give the opposite account, although they present very poor scores. Equally, when contrasted with the OPEC group, these three countries continue to score below them. Nevertheless, they show a positive tendency, indicating certain advancement in promoting transparency.

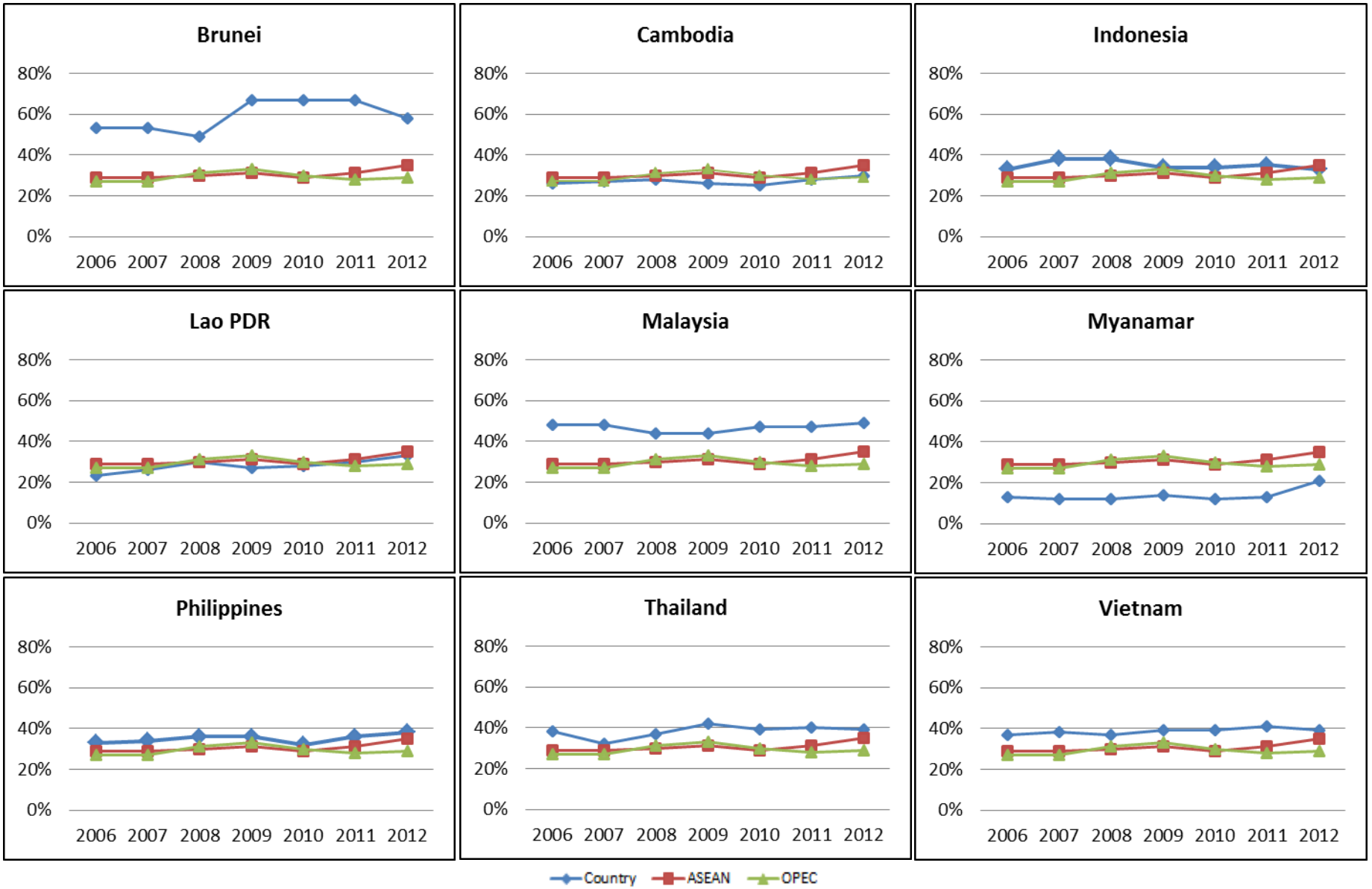
Another indicator presenting important differences is voice and accountability (see Figure XI). With the exception of Vietnam which has significantly deteriorated, ASEAN member states show positive trends. Within this context, there are still enormous differences. Myanmar and Lao score below the regional average, presenting both countries an optimistic trend. Indonesia, Philippines and Malaysia lead with the best meters, but they show stagnation or deterioration of their results.

Figure IX: Rule of Law



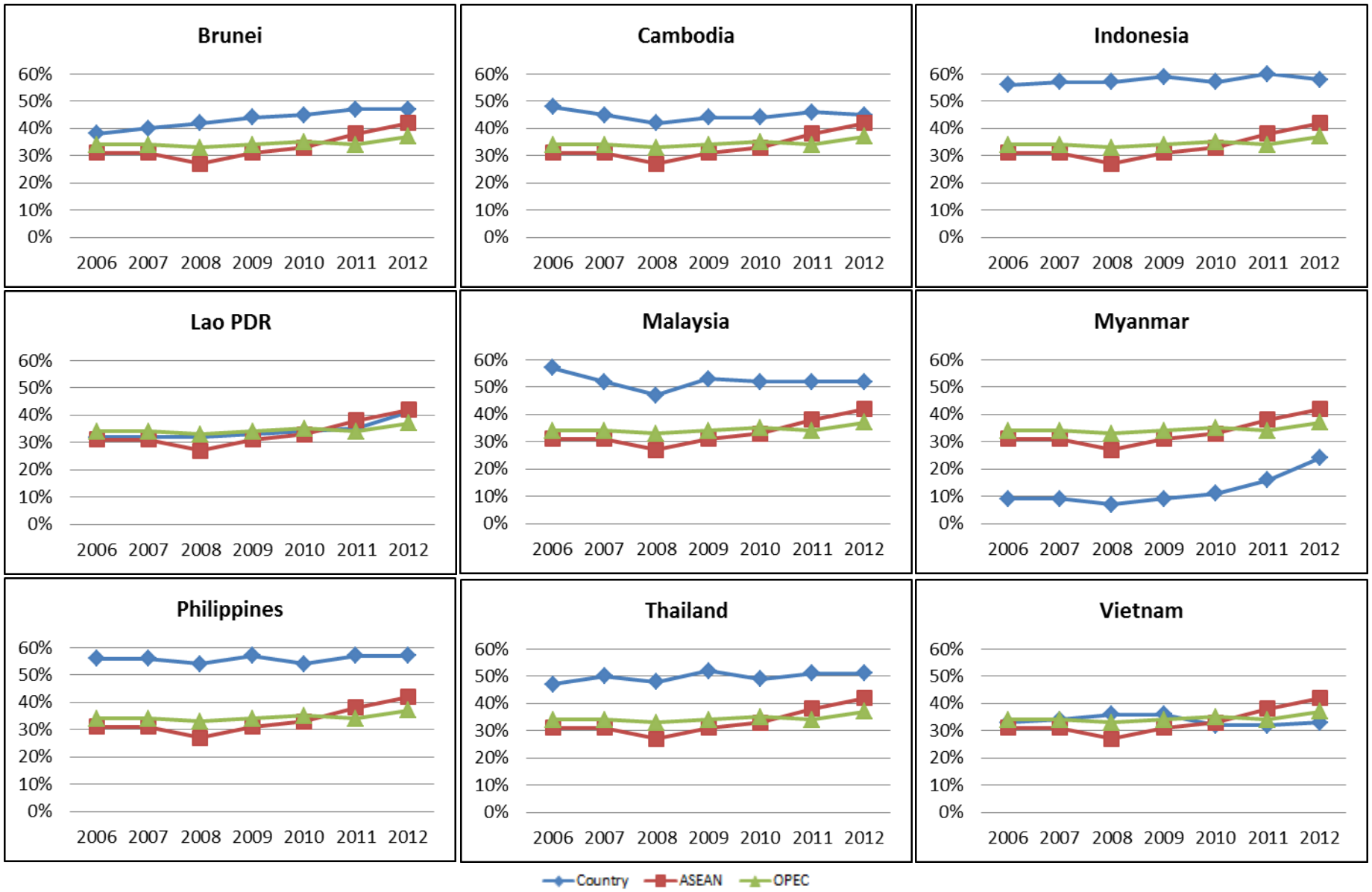
Source: The World Bank Institute

Figure X: Control of Corruption



Source: The World Bank Institute

Figure XI: Voice and accountability



Source: The World Bank Institute

In the same way, the comparison with the OPEC shows similar developments. Vietnam, Lao and Myanmar keep on scoring below the group's average proving to be the countries where voice and accountability still needs to develop significantly. It is of especial importance the case of Vietnam, as even with signs of recovery its performance is still considerably below to the country's 2009 values.

Taking the above results into account and applying them to refute the third hypothesis, the outcomes produced reveal different conclusions.

One of the cases that stand out is Brunei. The outcomes reflect that the domestic economy of this country is highly dependent on its extractive industry. Nonetheless, the other indicators prove that regardless of this dependency, the country has already achieved a high level of development. Hence, signalling that this sultanate has been able to avoid the resource curse and managed to transformed its natural wealth into real human development.

Other interesting results are shown by Cambodia, Lao PDR and Myanmar. These three countries present poorer performances that those of its regional neighbours insinuating that they could be more prone to suffer from this political economy malaise. Yet, some important variances imply different susceptibility levels. In the Cambodian case, the extractive industry still plays a minimal role in the economy of the country and therefore it is unlikely that this sector would monopolised the domestic economy. The opposite situation seems to apply to Lao PDR. Trends suggest that natural resource rents are becoming increasingly more significant in the country's economy. This fact combined with the other poorer results raises put forward that the risks for this country to suffer from the resource curse are relatively high. In the case of Myanmar the situation is less conclusive. Lack of economic data concerning the country's natural resource rents complicates any assessment on the issue. Still, announcements of a renewed gold rush in the country,[28] together with the recent infrastructural developments related to the oil and gas industry,[29] suggest that

[28] After the Western nations lifted sanctions in Myanmar in 2012 and the country is progressively opening internationally, many international firms have moved there to try to get a piece of the market (Ghosh, 2012).

[29] The ASEAN Plan of Action for Energy Cooperation (APAEC) 2010-2015, adopted under the ASEAN Vision 2020, settled the basis for regional cooperation in energy-related matters. One of the main

Myanmar's extractive industry role and involvement in the country's domestic economy is probably very important and will probably become even more crucial. In this sense, this could also bring important challenges to promote economic diversification and avoid the resource curse.

With respect to the rest of the countries, their results do not suggest that the risks to suffer from the resource curse are high. Their slower development must be attributed to other economic, political and social factors. Thus it can be stated that despite their natural resource wealth they are managing to confront the risks of the resource curse.

4. CONCLUSIONS

Although traditional economic thought establishes a direct positive correlation between the possession of natural resources and economic growth and development, empirical examples have questioned the validity of this assumption. Concretely, this observation applies to countries with high dependency on their mining industry. This has led to the belief of the existence of a "resource curse".

In this context, experts from different disciplines have delved on the causes that impede certain resource-rich countries to transform their natural wealth into real human development. The findings have proposed different economic, political and social explanations.

From the economic viewpoint, experts attribute the resource curse to five different causes: declining terms of trade; international market volatility; its function as an enclave activity; the Dutch Disease; and competing interests arising from the pre-existing inequalities between the developed and the developing world.

The political perspective has centred in three main ideas connecting the economic findings to political actions: dependency on the mining sector constrains decision-making processes by reducing the amount of possible choices; state behaviour is

objectives emphasised in this plan is the Trans-ASEAN Gas Pipeline (TAGP). In this context, Myanmar has already concluded two cross-border pipelines and there is a third one under progress (ASEAN Centre for Energy, 2013. pp.27-37).

reshaped to adjust and satisfy the political requirements of the extractive industry; certain institutional characteristics contribute to the resource curse, whereas others minimise its impact.

The social angle has proposed a different explanation that complements the political and economic views. According to these experts, different interest groups create concrete critical junctures that lead to a certain institutional development and are very difficult to be reversed.

Departing from these ideas, this research paper has focused on exploring the current panorama in Southeast Asia, as this region constitutes an important economic and geopolitical area very rich in mineral resources.

In this sense, the aim was to assess the regional risks and progresses in the context of the resource curse, building up and updating previous works on the issue. For this purpose, a total of nine economic, political and social aggregated indicators were analysed and contrasted with similar data from a control group formed by OPEC countries, for a study period of seven years (2006-2012). The results of the research have helped drawing different conclusions.

In general, the economic, social and political trends experienced by ASEAN's resource-rich countries, anticipate that all these areas of study are experiencing a relatively stable growth. These positive patterns suggest that prospective regional developments should be deemed optimistic.

However, some evidences point towards certain areas where attention should be hold. Particularly, three indicators ask for caution: natural resource rents, control of corruption and human development index. Statistical data from these three matters show relatively negative performance.

Regardless, of its current moderate economic importance, natural resource rents played a higher role in the region's economy before the global financial crisis. This raises concerns about its re-emergence once the world fully recovers from the economic shock and its potential influence in driving the region towards the resource curse.

Similarly, results regarding control of corruption still present very poor values. This increases ASEAN's risks to experience the resource curse, as this political issue

foments institutional decay which would be reinforced by path dependency.

Also very significant, the results of the human development index show that despite the economic growth and general political progresses, advancements related to human development are still slow in ASEAN. This reflects that on a regional average basis, the economic wealth that the region generates does not efficiently revert on its population.

Nevertheless, when the data from Southeast Asia is compared with OPEC, again, signs suggest favourable developments in the Asian region. Yet, once more, the indicator that brings up more concerns is the human development index which tends to score below OPEC's average. Possible explanations for this matter a varied, especially when considering that after the global economic crisis results are poorer. A plausible reason could rest in the reduction of Official Development Assistance and international developing programs which could have consequently decelerate the regional development process. Another conceivable explanation could be based on the regions recent history, marked by genocide, multiple wars and several dictatorship and even isolationist governments. The legacy left behind these events has certainly complicated the promotion of human development and must indeed be reflected in the statistical data.

Still, overall, on a regional average, it could be concluded that ASEAN is progressing to avoid the resource curse.

On a country to country basis, results reveal a different account. Of particular relevance are the cases of Lao PDR and Myanmar.

In the case of Lao PDR, poor results in most of the indicators of the political dimension as well as in the social dimension, added to the increasing role that natural resource rents are having in the country's economy, suggest that the risks for this country to suffer from the resource curse are relatively high.

The situation in Myanmar is less conclusive. Lack of economic data concerning the country's natural resource rents has complicated any assessment on the issue. Nonetheless, in the context of this economically poor but mineral rich country with important endowments of gold, oil and gas, and currently emerging from an isolationist period, the growth and involvement of Myanmar's extractive industry should be expected to have a big impact on the country's domestic economy. In this

sense, this could also bring important challenges to promote economic diversification and avoid the resource curse.

Therefore, when assessing individual risks in the Southeast Asian region, results differ from the regional perspective, as some countries present greater risks to experience the resource curse. With this respect, it would be interesting to consider how regional results would change if the statistics of these two countries –Lao PDR and Myanmar- were not to be included. Indeed, the region's average score would surely improve, reinforcing the optimistic prospects for ASEAN in this matter.

All in all, this research paper has questioned the current situation in Southeast Asia with regards to the resource curse. Based on the assumption that this phenomenon has a direct positive correlation with natural resource rents and a direct negative correlation with good governance and human development, the statistical data compared has concluded that the region is avoiding this domestic level, some states reveal greater risks, exposing the areas where efforts should be concentrated.

4.1 Extend and limitations of the research

The use of aggregate indicators has allowed this research to compare more complex data, incorporating a new array of perceptions and opinions that had not been considered in previous similar papers.

As it was exposed on the introduction, this type of data adds new benefits, assuring that a greater amount of interests and ideologies are represented and contemplated in the research. This allows the drawing of more substantial and accurate conclusions.

Due to the volume of statistical data compared, one of the main concerns regarding the results of the research rests on the calculation of the statistical measurements of the aggregate indicators of the political dimension.[30]

For the calculation of each of the six indicators, the statistical data used had originated in different reports. Although each of the sources encompassed on each

[30] In some cases a total of seventeen statistical measurements have been synthesised in the calculation of the aggregate indicators of the political dimension.

indicator share similar methodology, they do not include every country. Hence, depending on the country, the data for each aggregate indicator has synthesised different amounts of statistical data. This might bring up certain methodological apprehensions as there are divergences in the amount of data compiled for each of the countries studied. [31] However, despite these differences, this does not necessary translate into less accuracy, but it only reflects a reality that it is often found by researchers who usually have to overcome problems arising from deficits or total lack of statistical data. In this sense, this issue must not be seen as a methodological fault but as a matter related to the difficulties to acquire valid and reliable data. Furthermore it is important to emphasise that this matter has been considered while proceeding to analyse and compare the information included on this report.

In any case, this research has been able to deepen in the matter of the impact of the resource curse in Southeast Asia, adding a new perspective on the current situation in this issue not only from a regional viewpoint, but also from a country to country basis.

4.2 Future lines of research

The conclusions extracted on this paper open new questions on several different aspects related both to the resource curse itself, as well as to the risk it poses to certain countries of Southeast Asia.

On the one hand, the previous literature on the issue has determined different causes that contribute to this phenomenon. Nonetheless, even though the economic theories seem to propose very convincing arguments, the political theories seem to be unable to establish a general theory on the matter. One of the main motives behind this, rests on the complexity lying behind any decision-making process which is influenced not only by political factors such as type of system and regime, but also by other social processes like culture or power of different interest groups. With this respect, it could be interesting to explore the connection between the resource curse and culture as this would contribute to generate a better general understanding on this phenomenon. Particularly, it would be of interest to explore if there are certain

[31] Please see Annex II to get a better understanding of the sources used for each country.

common cultural features in those countries suffering from the resource curse. This would help in the creation of better preventive frameworks.

On the other hand, other future lines of investigation could follow two concrete perspectives related to the resource curse and Southeast Asia. Firstly, it could be of interest analyse Brunei's historical trajectory to understand how regardless of the country's dependency on oil and gas, this sultanate has been able to pursuit successful human, economic and political development. Getting a better understanding of this country's success could help assisting countries with greater risks to suffer from this political economy malaise. Secondly, other important research could focus on the cases of Lao and Myanmar. Following up domestic developing on their respective extractive industry should be of pragmatic importance, as data suggest that these countries find themselves at crossroads and decisions made today could have a tremendous long-term impact.

To conclude with, this paper hopes to serve as inspiration for future research on the resource curse, because as global population grows and technologies advance, the sustainable management of natural resources will not only be crucial for those nations possessing them, but also worldwide.

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Annex I: Statistical Data for each variable

Table 4- Economic Growth

	2006	2007	2008	2009	2010	2011	2012
Brunei	4.4	0.15	-1.94	-1.77	2.6	2,21	2.15
Cambodia	10.77	10.21	6.69	0.09	5.96	7,07	7.26
Indonesia	5.5	6.35	6.01	4.63	6.22	6,49	6.23
Lao PDR	8.62	7.6	7.82	7.5	8.53	8,04	8.2
Malaysia	5.59	6.3	4.83	-1.51	7.43	5,13	5.64
Philippines	5.24	6.62	4.15	1.15	7.63	3,64	6.81
Thailand	5.09	5.04	2.48	-2.33	7.81	0,08	6.49
Vietnam	6.98	7.13	5.66	5.4	6.42	6,24	5.25
ASEAN's Average	6.52	6.17	4.47	1.5	6.58	4,86	6
Angola	20.74	22.59	13.82	2.41	3.41	3.92	6.83
Ecuador	4.4	2.19	6.36	0.57	2.95	7.83	5.12
Iran	5.89	7.82	0.58	3.94	5.89	3	-1.9
Iraq	10.16	1.38	6.61	5.81	6.9	9.55	9.29
Kuwait	7.52	5.99	2.48	-7.08	-2.37	6.3	6.19
Nigeria	8.21	6.83	6.27	6.93	7.84	4.65	6.75
Saudi Arabia	5.58	5.99	8.43	1.83	7.43	8.57	5.13
Venezuela	9.87	8.75	5.28	-3.2	-1.49	4.18	5.63
OPEC's Average	9.04	7.69	6.23	1.4	3.82	6	5.38

Source: The World Bank

Table 5- Natural Resource Rents

	2006	2007	2008	2009	2010	2011	2012
Brunei	65.31	59.38	71.83	45,57	45.42	42.44	35.99
Cambodia	2.72	2.67	3.88	3.39	3.85	4.29	4.59
Indonesia	14.13	13.87	15.91	8.38	8.45	8.9	7.13
Lao PDR	16.28	15.13	16.91	14.62	18.55	20.78	19.5
Malaysia	18.53	16.61	19.68	11.61	10.77	10.82	9.8
Philippines	2.78	5.06	3.08	2.76	3.9	4.42	3.5
Thailand	5.64	5.38	7.42	4.28	4.29	4.5	4.31
Vietnam	15.97	15.33	18.21	10.09	11.73	13.37	11.78
ASEAN's Average	17.67	16.68	19.61	12.59	13.37	13.69	12.08
Angola	66.38	60.62	67.44	38.73	46.18	45.53	42.90
Ecuador	25.38	24.58	27.52	15.81	18.63	22.21	19.96
Iran	53.31	47.06	52.25	28.55	30.85	31.70	25.40
Iraq	64.99	54.51	57.03	41.32	42.4	47.4	45.96
Kuwait	60.32	57.08	63.71	44.49	51.74	58.77	55.13
Nigeria	39.33	35.83	38.09	26.63	28.82	34.26	30.28
Saudi Arabia	58.35	55.55	64.07	41.51	43.17	50.69	49.73
Venezuela	44.13	34.60	35.11	18.93	20.46	33.84	28.78
OPEC's Average	51,52	46,23	50,65	31,99	35,28	40,55	37,27

Source: The World Bank

Table 6- Human Development Index

	2006	2007/2008	2009	2010	2011
Brunei	0.871	0.894	0.92	0.805	0.838
Cambodia	0.583	0.598	0.593	0.494	0.523
Indonesia	0.711	0.728	0.734	0.6	0.617
Lao PDR	0.553	0.601	0.619	0.497	0.524
Malaysia	0.805	0.811	0.829	0.744	0.761
Myanmar	0.581	0.583	0.586	0.451	0.483
Philippines	0.763	0.771	0.751	0.638	0.644
Thailand	0.784	0.781	0.783	0.654	0.682
Vietnam	0.709	0.733	0.725	0.572	0.593
ASEAN	0.71	0.722	0.727	0.606	0.63
Angola	0.439	0.446	0.564	0.403	0.486
Ecuador	0.765	0.772	0.806	0.695	0.72
Iran	0.746	0.759	0.782	0.702	0.707
Kuwait	0.871	0.891	0.916	0.771	0.76
Libya	0.798	0.818	0.847	0.755	0.76
Nigeria	0.448	0.47	0.511	0.423	0.459
Saudi Arabia	0.777	0.812	0.843	0.752	0.77
Venezuela	0.784	0.792	0.844	0.696	0.735
OPEC	0.703	0.72	0.764	0.65	0.675

Source: Human Development Index

Table 7- Political Stability & Absence of Violence

	2006	2007	2008	2009	2010	2011	2012
Brunei	94%	94%	90%	75%	73%	86%	79%
Cambodia	56%	54%	56%	51%	55%	73%	77%
Indonesia	44%	47%	46%	54%	52%	52%	54%
Lao PDR	61%	57%	66%	63%	63%	63%	65%
Malaysia	74%	71%	68%	65%	69%	72%	68%
Myanmar	43%	40%	38%	40%	39%	39%	43%
Philippines	32%	36%	34%	37%	38%	46%	48%
Thailand	46%	44%	43%	44%	40%	47%	43%
Vietnam	63%	68%	65%	70%	67%	68%	71%
ASEAN's Average	57%	57%	56%	55%	55%	61%	61%
Angola	56%	46%	54%	55%	64%	60%	56%
Ecuador	53%	47%	55%	58%	57%	54%	59%
Iran	42%	44%	42%	39%	38%	47%	45%
Iraq	12%	12%	18%	29%	22%	31%	29%
Kuwait	72%	77%	76%	76%	77%	64%	68%
Libya	60%	76%	76%	79%	64%	43%	36%
Nigeria	30%	33%	35%	35%	27%	35%	36%
Saudi Arabia	55%	56%	58%	56%	64%	55%	56%
Venezuela	41%	42%	42%	45%	43%	39%	51%
OPEC's Average	47%	48%	51%	52%	51%	48%	48%

Source: The World Bank Institute

Table 8- Government Effectiveness

	2006	2007	2008	2009	2010	2011	2012
Brunei	79%	79%	73%	69%	69%	69%	69%
Cambodia	34%	40%	39%	41%	40%	41%	44%
Indonesia	44%	46%	45%	45%	46%	45%	46%
Lao PDR	40%	43%	42%	40%	42%	41%	44%
Malaysia	69%	70%	69%	68%	71%	70%	69%
Myanmar	29%	26%	27%	21%	25%	25%	28%
Philippines	32%	36%	34%	37%	38%	46%	48%
Thailand	46%	44%	44%	44%	40%	47%	43%
Vietnam	63%	68%	65%	70%	67%	68%	71%
ASEAN's Average	48%	50%	49%	48%	49%	50%	51%
Angola	26%	31%	35%	38%	35%	35%	37%
Ecuador	29%	41%	43%	43%	43%	47%	50%
Iran	44%	40%	42%	45%	45%	47%	45%
Iraq	10%	16%	28%	34%	34%	33%	35%
Kuwait	56%	56%	54%	59%	58%	56%	52%
Libya	26%	24%	26%	35%	37%	32%	27%
Nigeria	33%	33%	34%	32%	34%	34%	38%
Saudi Arabia	49%	49%	49%	50%	52%	47%	56%
Venezuela	33%	37%	34%	38%	36%	35%	37%
OPEC's Average	34%	36%	38%	42%	42%	41%	42%

Source: The World Bank Institute

Table 9- Regulatory Quality

	2006	2007	2008	2009	2010	2011	2012
Brunei	88%	88%	75%	77%	77%	77%	77%
Cambodia	49%	51%	51%	50%	51%	48%	53%
Indonesia	52%	52%	52%	51%	50%	51%	52%
Lao PDR	38%	39%	38%	39%	39%	39%	43%
Malaysia	63%	63%	57%	61%	68%	66%	62%
Myanmar	17%	14%	14%	15%	15%	18%	28%
Philippines	55%	56%	56%	55%	54%	60%	63%
Thailand	59%	49%	50%	59%	57%	58%	59%
Vietnam	48%	49%	47%	48%	48%	52%	52%
ASEAN	52%	51%	49%	51%	51%	52%	54%
Angola	40%	42%	42%	38%	40%	39%	42%
Ecuador	42%	40%	38%	35%	36%	39%	41%
Iran	29%	26%	25%	23%	26%	30%	32%
Iraq	33%	36%	40%	43%	43%	44%	40%
Kuwait	65%	60%	60%	60%	60%	59%	55%
Libya	33%	40%	44%	38%	36%	28%	30%
Nigeria	41%	41%	43%	45%	45%	45%	46%
Saudi Arabia	56%	56%	59%	60%	62%	60%	61%
Venezuela	38%	34%	33%	29%	28%	32%	32%
OPEC	42%	42%	43%	41%	42%	42%	42%

Source: The World Bank Institute

Table 10- Rule of Law

	2006	2007	2008	2009	2010	2011	2012
Brunei	51%	67%	67%	63%	63%	69%	68%
Cambodia	32%	37%	33%	37%	37%	39%	39%
Indonesia	47%	45%	46%	47%	45%	47%	48%
Lao PDR	37%	41%	43%	37%	42%	43%	46%
Malaysia	57%	55%	51%	55%	55%	59%	59%
Myanmar	28%	27%	27%	27%	26%	30%	34%
Philippines	49%	50%	44%	43%	45%	52%	53%
Thailand	56%	55%	51%	48%	51%	52%	53%
Vietnam	46%	46%	47%	44%	43%	46%	47%
ASEAN	45%	47%	45%	45%	45%	49%	50%
Angola	33%	32%	30%	33%	31%	31%	30%
Ecuador	44%	44%	42%	41%	40%	38%	42%
Iran	34%	32%	33%	31%	33%	35%	36%
Iraq	27%	19%	28%	32%	32%	33%	35%
Kuwait	65%	61%	61%	61%	61%	61%	58%
Libya	31%	33%	34%	34%	36%	31%	34%
Nigeria	41%	41%	44%	42%	42%	40%	41%
Saudi Arabia	54%	51%	50%	52%	54%	52%	54%
Venezuela	30%	31%	29%	29%	27%	29%	28%
OPEC	40%	38%	39%	39%	40%	39%	40%

Source: The World Bank Institute

Table 11- Control of Corruption

	2006	2007	2008	2009	2010	2011	2012
Brunei	53%	53%	49%	67%	67%	67%	58%
Cambodia	26%	27%	28%	26%	25%	28%	30%
Indonesia	33%	38%	38%	34%	34%	35%	33%
Lao PDR	23%	26%	30%	27%	28%	30%	33%
Malaysia	48%	48%	44%	44%	47%	47%	49%
Myanmar	13%	12%	12%	14%	12%	13%	21%
Philippines	33%	34%	36%	36%	32%	36%	38%
Thailand	38%	32%	37%	42%	39%	40%	39%
Vietnam	37%	38%	37%	39%	39%	41%	39%
ASEAN	34%	34%	35%	37%	36%	37%	38%
Angola	26%	25%	23%	19%	23%	22%	22%
Ecuador	39%	45%	43%	40%	40%	31%	39%
Iran	35%	31%	27%	27%	26%	28%	31%
Iraq	11%	11%	20%	27%	25%	27%	25%
Kuwait	57%	56%	59%	56%	57%	52%	40%
Libya	21%	25%	28%	21%	19%	15%	18%
Nigeria	32%	33%	36%	33%	32%	29%	32%
Saudi Arabia	38%	40%	45%	44%	47%	40%	44%
Venezuela	33%	31%	30%	32%	33%	33%	30%
OPEC	32%	33%	35%	33%	34%	31%	31%

Source: The World Bank Institute

Table 12: Voice and Accountability

	2006	2007	2008	2009	2010	2011	2012
Brunei	53%	53%	49%	67%	67%	67%	58%
Cambodia	26%	27%	28%	26%	25%	28%	30%
Indonesia	33%	38%	38%	34%	34%	35%	33%
Lao PDR	23%	26%	30%	27%	28%	30%	33%
Malaysia	48%	48%	44%	44%	47%	47%	49%
Myanmar	13%	12%	12%	14%	12%	13%	21%
Philippines	33%	34%	36%	36%	32%	36%	38%
Thailand	38%	32%	37%	42%	39%	40%	39%
Vietnam	37%	38%	37%	39%	39%	41%	39%
ASEAN	34%	34%	35%	37%	36%	37%	38%
Angola	26%	25%	23%	19%	23%	22%	22%
Ecuador	39%	45%	43%	40%	40%	31%	39%
Iran	35%	31%	27%	27%	26%	28%	31%
Iraq	11%	11%	20%	27%	25%	27%	25%
Kuwait	57%	56%	59%	56%	57%	52%	40%
Libya	21%	25%	28%	21%	19%	15%	18%
Nigeria	32%	33%	36%	33%	32%	29%	32%
Saudi Arabia	38%	40%	45%	44%	47%	40%	44%
Venezuela	33%	31%	30%	32%	33%	33%	30%
OPEC	32%	33%	35%	33%	34%	31%	31%

Source: The World Bank Institute

Annex II: Good Governance Indicators by country and source of origin

Table 13- Political Stability and Absence of Violence (Sources used for ASEAN)

	Brunei	Cambodia	Indonesia	Lao	Malaysia	Myanmar	Philippines	Thailand	Vietnam
EIU	X	X	X	X	X	X	X	X	X
GCS	X	X	X		X		X	X	X
HUM	X	X	X	X	X	X	X	X	X
IJT	X	X	X	X	X	X	X	X	X
IPD		X	X	X	X	X	X	X	X
PRS	X		X		X	X	X	X	X
WCY			X		X		X	X	
WJP		X	X		X		X	X	X
WMO	X	X	X	X	X	X	X	X	X

Source: The World Bank Institute

Table 14- Political Stability and Absence of Violence (Sources used for OPEC)

	Angola	Ecuador	Iran	Iraq	Kuwait	Libya	Nigeria	Saudi Arabia	Venezuela
EIU	X	X	X	X	X	X	X	X	X
GCS		X	X		X	X	X	X	X
HUM	X	X	X	X	X	X	X	X	X
IJT	X	X	X	X	X	X	X	X	X
IPD	X	X	X	X	X	X	X	X	X
PRS	X	X	X	X	X	X	X	X	X
WCY									X
WJP		X	X				X		X
WMO	X	X	X	X	X	X	X	X	X

Source: The World Bank Institute

Table 15- Government Effectiveness (Sources used for ASEAN)

	Brunei	Cambodia	Indonesia	Lao	Malaysia	Myanmar	Philippines	Thailand	Vietnam
ADB									
AFR									
ASD		X	X	X					X
BPS									
BTI		X	X	X	X	X	X	X	X
EIU	X	X	X	X	X	X	X	X	X
GCS	X	X	X		X		X	X	X
GWP		X	X	X	X	X	X	X	X
IFD		X	X	X	X	X	X	X	X
IPD		X	X	X	X	X	X	X	X
LBO									
PIA		X		X					X
PRS	X		X		X	X	X	X	X
WCY			X		X		X	X	
WMO	X	X	X	X	X	X	X	X	X

Source: The World Bank Institute

Table 16- Government Effectiveness (Sources used for OPEC)

	Angola	Ecuador	Iran	Iraq	Kuwait	Libya	Nigeria	Saudi Arabia	Venezuela
ADB	X					X	X		
AFR									
ASD									
BPS	X				X	X	X	X	X
BTI		X	X	X					
EIU	X	X	X		X	X	X	X	X
GCS	X	X	X	X	X	X	X	X	X
GWP	X	X	X		X	X	X	X	X
IFD	X	X	X				X		X
IPD	X	X	X	X	X	X	X	X	X
LBO	X	X		X			X		
PIA	X			X	X	X	X	X	X
PRS		X	X						X
WCY							X		X
WMO	X	X	X	X	X	X	X	X	X

Source: The World Bank Institute

Table 17- Regulatory Quality (Sources used for ASEAN)

	Brunei	Cambodia	Indonesia	Lao	Malaysia	Myanmar	Philippines	Thailand	Vietnam
ADB									
ASD		X		X					X
BPS									
BTI		X	X	X	X	X	X	X	X
EBR									
EIU	X	X	X	X	X	X	X	X	X
GCS	X	X	X		X		X	X	X
HER		X	X	X	X	X	X	X	X
IFD		X	X	X	X	X	X	X	X
IPD		X	X	X	X	X	X	X	X
PIA		X		X					X
PRS	X		X		X	X	X	X	X
WCY			X		X		X	X	
WJP		X	X		X		X	X	X
WMO	X	X	X	X	X	X	X	X	X

Source: The World Bank Institute

Table 18- Regulatory Quality (Sources used for OPEC)

	Angola	Ecuador	Iran	Iraq	Kuwait	Libya	Nigeria	Saudi Arabia	Venezuela
ADB	X					X	X		
ASD									
BPS									
BTI	X	X	X	X	X	X	X	X	X
EBR									
EIU	X	X	X	X	X	X	X	X	X
GCS	X	X			X	X	X	X	X
HER	X	X			X	X	X	X	X
IFD	X	X	X	X			X		X
IPD	X	X	X	X	X	X	X	X	X
PIA	X						X		
PRS	X	X	X	X	X	X	X	X	X
WCY									X
WJP		X					X		X
WMO	X	X	X	X	X	X	X	X	X

Source: The World Bank Institute

Table 19- Rule of Law (Sources used for ASEAN)

	Brunei	Cambodia	Indonesia	Lao	Malaysia	Myanmar	Philippines	Thailand	Vietnam
ADB									
AFR									
ASD		X	X	X					X
BPS									
BTI		X	X	X	X	X	X	X	X
CCR		X	X	X	X	X	X	X	X
EIU	X	X	X	X	X	X	X	X	X
FRH									
GCS	X	X	X		X		X	X	X
GII		X	X		X		X	X	X
GWP		X	X	X	X	X	X	X	X
HER		X	X	X	X	X	X	X	X
HUM	X	X	X	X	X	X	X	X	X
IFD		X	X	X	X	X	X	X	X
IPD		X	X	X	X	X	X	X	X
LBO									
PIA		X		X					X
PRS	X		X		X	X	X	X	X
TPR	X	X	X	X	X	X	X	X	X
VAB									
WCY			X		X		X	X	
WJP		X	X		X		X	X	X
WMO	X	X	X	X	X	X	X	X	X

Source: The World Bank Institute

Table 20- Rule of Law (Sources used for OPEC)

	Angola	Ecuador	Iran	Iraq	Kuwait	Libya	Nigeria	Saudi Arabia	Venezuela
ADB	X					X	X		
AFR							X		
ASD									
BPS									
BTI	X	X	X	X	X	X	X	X	X
CCR	X	X	X			X	X	X	X
EIU	X	X	X	X	X	X	X	X	X
FRH									
GCS	X	X	X		X	X	X	X	X
GII	X	X		X			X		X
GWP	X	X	X	X	X	X	X	X	X
HER	X	X	X		X	X	X	X	X
HUM	X	X	X	X	X	X	X	X	X
IFD	X	X	X	X			X		X
IPD	X	X	X	X	X	X	X	X	X
LBO		X							X
PIA	X						X		
PRS	X	X	X	X	X	X	X	X	X
TPR	X	X	X	X	X	X	X	X	X
VAB		X							X
WCY									X
WJP		X	X				X		X
WMO	X	X	X	X	X	X	X	X	X

Source: The World Bank Institute

Table 21- Control of Corruption (Sources used for ASEAN)

	Brunei	Cambodia	Indonesia	Lao	Malaysia	Myanmar	Philippines	Thailand	Vietnam
ADB									
AFR									
ASD		X	X	X					X
BPS									
BTI		X	X	X	X	X	X	X	X
CCR		X	X	X	X	X	X	X	X
EIU	X	X	X	X	X	X	X	X	X
FRH									
GCB	X	X	X		X		X	X	X
GCS	X	X	X		X		X	X	X
GII		X	X		X		X	X	X
GWP		X	X	X	X		X	X	X
IFD		X	X	X	X	X	X	X	X
IPD		X	X	X	X	X	X	X	X
LBO									
PIA		X		X					X
PRS		X	X		X	X	X	X	X
TPR	X		X		X	X	X	X	X
VAB									
WCY			X		X		X	X	
WJP		X	X		X		X	X	X
WMO	X	X	X	X	X	X	X	X	X

Source: The World Bank Institute

Table 22- Control of Corruption (Sources used for OPEC)

	Angola	Ecuador	Iran	Iraq	Kuwait	Libya	Nigeria	Saudi Arabia	Venezuela
ADB	X					X	X		
AFR							X		
ASD									
BPS									
BTI	X	X	X	X	X	X	X	X	X
CCR	X	X	X			X	X	X	X
EIU	X	X	X	X	X	X	X	X	X
FRH									
GCB		X		X	X	X	X		X
GCS	X	X	X		X	X	X	X	X
GII	X	X					X		X
GWP	X	X	X	X		X	X	X	X
IFD	X	X		X			X		X
IPD	X	X	X	X	X	X	X	X	X
LBO		X							X
PIA	X						X		
PRS									
TPR	X	X	X	X	X	X	X	X	X
VAB		X							X
WCY									X
WJP		X	X				X		X
WMO	X	X	X	X	X	X	X	X	X

Source: The World Bank Institute

Table 23- Voice and Accountability (Sources used for ASEAN)

	Brunei	Cambodia	Indonesia	Lao	Malaysia	Myanmar	Philippines	Thailand	Vietnam
AFR									
BTI		X	X	X	X	X	X	X	X
CCR		X	X	X	X	X	X	X	X
EIU	X	X	X	X	X	X	X	X	X
FRH	X	X	X	X	X	X	X	X	X
GCS	X	X	X		X		X	X	X
GII		X	X		X		X	X	X
GWP		X	X	X	X		X	X	X
HUM	X	X	X	X	X	X	X	X	X
IFD		X	X	X	X	X	X	X	X
IPD		X	X	X	X	X	X	X	X
IRP									
LBO									
MSI									
OBI		X	X		X	X	X	X	X
PRS	X		X		X	X	X	X	X
RSF	X	X	X	X	X	X	X	X	X
VAB									
WCY			X		X		X	X	
WJP		X	X		X		X	X	X
WMO	X	X	X	X	X	X	X	X	X

Source: The World Bank Institute

Table 24- Voice and Accountability (Sources used for OPEC)

	Angola	Ecuador	Iran	Iraq	Kuwait	Libya	Nigeria	Saudi Arabia	Venezuela
AFR							X		
BTI	X	X	X	X	X	X	X	X	X
CCR	X	X	X			X	X	X	X
EIU	X	X	X	X	X	X	X	X	X
FRH	X	X	X	X	X	X	X	X	X
GCS	X	X	X		X	X	X	X	X
GII	X	X		X			X		X
GWP	X	X	X	X	X		X	X	X
HUM	X	X	X	X	X	X	X	X	X
IFD	X	X		X			X		X
IPD	X	X	X	X	X	X	X	X	X
IRP	X					X	X		
LBO		X							X
MSI	X		X	X	X	X	X	X	
OBI	X	X		X			X	X	X
PRS	X	X	X	X	X	X	X	X	X
RSF	X	X	X	X	X	X	X	X	X
VAB		X							X
WCY									X
WJP		X	X				X		X
WMO	X	X	X	X	X	X	X	X	X

Source: The World Bank Institute