

Asean paper

[Parts of the World](#), [European Union](#)



The Association of Southeast Asian Nations, also known as ASEAN, consists of 10 member nations. The objective of the association, established in 1967 in Bangkok, Thailand, was to “to accelerate economic growth, social progress and cultural development in the region and to promote regional peace and stability through abiding respect for justice and the rule of law in the relationship among countries in the region and adherence to the principles of the United Nations Charter” (ASEAN official website). Originally, ASEAN consisted of Indonesia, Malaysia, Philippines, Singapore and Thailand. Now, the association has expanded to include Brunei Darussalam, Cambodia, Laos, Myanmar, and Viet Nam. Since its inception 40 years ago, ASEAN has gone a long way toward helping the economies of its member nations and facilitating trade and other transactions with other economies around the world. The establishment of ASEAN has allowed its member nations the opportunity to combine economic ties and increase potential for transacting business with larger economies. Because of close proximity, a natural trade partner was found between ASEAN nations and China. Since the time ASEAN was formed, the ASEAN member nations have exponentially increased the amount of business and trade they have transacted with the Chinese (Jun). In addition to geographical advantages of doing business with China, there are also cultural reasons. Millions of Chinese citizens reside in ASEAN member nations, so it creates a natural advantage for facilitating trade and commerce (Jun). In recent years, ASEAN nations have seen their trade with China drastically increase. In 2000, the total trade between ASEAN and China was valued at \$39.5 billion USD. That figure jumped to \$55.2 billion by 2003 (ASEAN web site). Currently, ASEAN has 20 million companies listed with the

Chinese, and this accounts for 70 percent of the total listed companies in Southeast Asian stock markets (Jun). Membership with ASEAN has also facilitated member nations' commerce with the United States. In 2007, US shipments to ASEAN nations were valued at \$61 billion. This figure made ASEAN the fifth-largest export market for the US for that year. US foreign investment in ASEAN countries was totaled at \$99 billion in 2006, a 13 percent rise from the previous year (Pacific Shipper). In 2003, the United States was ASEAN's largest trading partner as 14 percent of ASEAN's trade was transacted with the US. Japan handled 14 percent of trades from ASEAN, the European Union held an additional 12 percent and China was at seven percent. The final figure is compared to 1994, when China held only two percent of ASEAN's trade transactions. It is evident by these numbers that ASEAN is an effective trade organization, much the same way that the European Union has assisted the advancement of European nations. As separate entities, the member nations of these organizations cannot hope to be as strong as the unified group of nations. After all, for the most part, their population figures are quite small when compared to the numbers of stronger nations such as China or the United States, which itself is much smaller than China. Many US states, after all, have greater populations than do European or Southeast Asian nations. And the US state of California on its own has the world's eighth strongest economy (Legislative Analyst's Office web site). This makes it somewhat easy to understand why trade organizations such as ASEAN and the European Union have helped their member nations so drastically. There are, of course, some potential downsides, as there might be with any trade organization. One such disadvantage

might be disagreements on the best interests for one country vs. the best interests for the association as a whole. Other potential problems might include favoritism by a non-member nation to one member nation over another. This potential threat might be real or even imagined. For instance, in 2007, US President George W. Bush had to cancel a meeting with ASEAN leaders in Singapore. This led to speculation that the US was not as interested in transacting business with ASEAN nations and " it is hard to explain why the US is not making the effort to meet with ASEAN leaders" (Chongkittavorn). The White House has explained that the decision to miss the meeting was because of conflicts with the Iraq war, but similar paranoia has been observed many times. " In the past, several planned meetings and visits were either delayed or postponed because of developments on the home front. Former US president Bill Clinton twice missed the Apec meeting. US Secretary of State Condoleezza Rice and her predecessors, including Warren Christopher and Madeleine Albright, have missed ASEAN ministerial meetings before, " (Chongkittavorn). It appears, however, that many of the ASEAN members who keep tabs on the number of times US ministers are absent from US-ASEAN meetings, may not have a lot to worry about in the long run. " Under the Bush administration, extra efforts have been made to push US-ASEAN relations and cooperation forward. Last year's conclusion of the Trade and Investment Framework Agreement between the two sides was significant as it will facilitate a free-trade agreement with the US in the future. Earlier, their joint vision statements and plans of action under the ASEAN-US Enhanced Partnership context agreed in 2005 demonstrate the commitment for continued consultations with ASEAN" (Chongkittavorn).

Despite any problems that may have arisen after the creation of ASEAN, it appears that the member nations have thrived since the 40-year-old organization was formed. There have been numerous advances and economic growth for member nations, particularly with nations such as China, the United States, Japan, and members of the European Union. Trade with China appears to be a major advantage of ASEAN, particularly for member nations. China's economic power has been increasing rapidly during the past few years and many analysts expect that it will continue to grow in the future. A Chinese ally is a benefit by itself if these predictions prove true. As the association has grown over the years, it is evident that nations that were once non-members decided joining would benefit them. ASEAN member nations have improved drastically since joining the association and there is sufficient evidence to support the claim that their success can at least partially be credited to membership in the association. <http://www.aseansec.org/> <http://web.ebscohost.com.ezproxy.apollolibrary.com/ehost/pdf?vid=4&hid=9&sid=1ff9eb13-803e-4319-ac0d-1ec02c222f23%40sessionmgr3> Wang Jun <http://web.ebscohost.com.ezproxy.apollolibrary.com/ehost/pdf?vid=5&hid=9&sid=1ff9eb13-803e-4319-ac0d-1ec02c222f23%40sessionmgr3> (pacific shipper) http://www.lao.ca.gov/2006/cal_facts/2006_calfacts_econ.htm