

# ASEAN MATTERS FOR AMERICA



EAST-WEST CENTER  
COLLABORATION • EXPERTISE • LEADERSHIP



LEAS

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# what is ASEAN?

ation of Southeast Asian Nations, to strengthen further the existing parity and cooperation.” The ten AN span more than 1.7 million

square miles—over half the size of the continental United States—and include nearly 600 million people.

ASEAN's economy, valued at about US \$1.5 trillion in 2008, is the third-largest Asian trading partner of the United States—after China and Japan—and the largest destination of U.S. investment in Asia.



**BRUNEI DARUSSALAM**  
Capital  
Bandar Seri Begawan  
Area  
5,765 sq. km.  
Population  
.388 million



**BURMA / MYANMAR**  
Capital  
Nay Pyi Taw  
Area  
676,578 sq. km.  
Population  
48.1 million



**CAMBODIA**  
Capital  
Phnom Penh  
Area  
181,035 sq. km.  
Population  
14.4 million



**INDONESIA**  
Capital  
Jakarta  
Area  
1,904,569 sq. km.  
Population  
240.2 million



**LAOS**  
Capital  
Vientiane  
Area  
236,800 sq. km.  
Population  
6.8 million



**MALAYSIA**  
Capital  
Kuala Lumpur  
Area  
329,847 sq. km.  
Population  
25.7 million



**THE PHILIPPINES**  
Capital  
Manila  
Area  
300,000 sq. km.  
Population  
97.9 million



**SINGAPORE**  
Capital  
Singapore  
Area  
697 sq. km.  
Population  
4.6 million



**THAILAND**  
Capital  
Bangkok  
Area  
513,120 sq. km.  
Population  
65.9 million



**VIETNAM**  
Capital  
Hanoi  
Area  
331,210 sq. km.  
Population  
86.9 million

**We enjoy deep historical ties to Southeast**

**Asia—one of the most important**

**and dynamic regions of the world...The United States**

**is committed to strengthening its engagement**

**in Southeast Asia both with our individual allies**

**AUSTRALIA**

**and partners, and with ASEAN as an institution.**

*Barack Obama, United States President  
November 2009*

Source: IMF, World Economic Outlook Database



## GEOSTRATEGIC WEIGHT

Share of world trade through region's straits, 2008

*why is ASEAN important?*

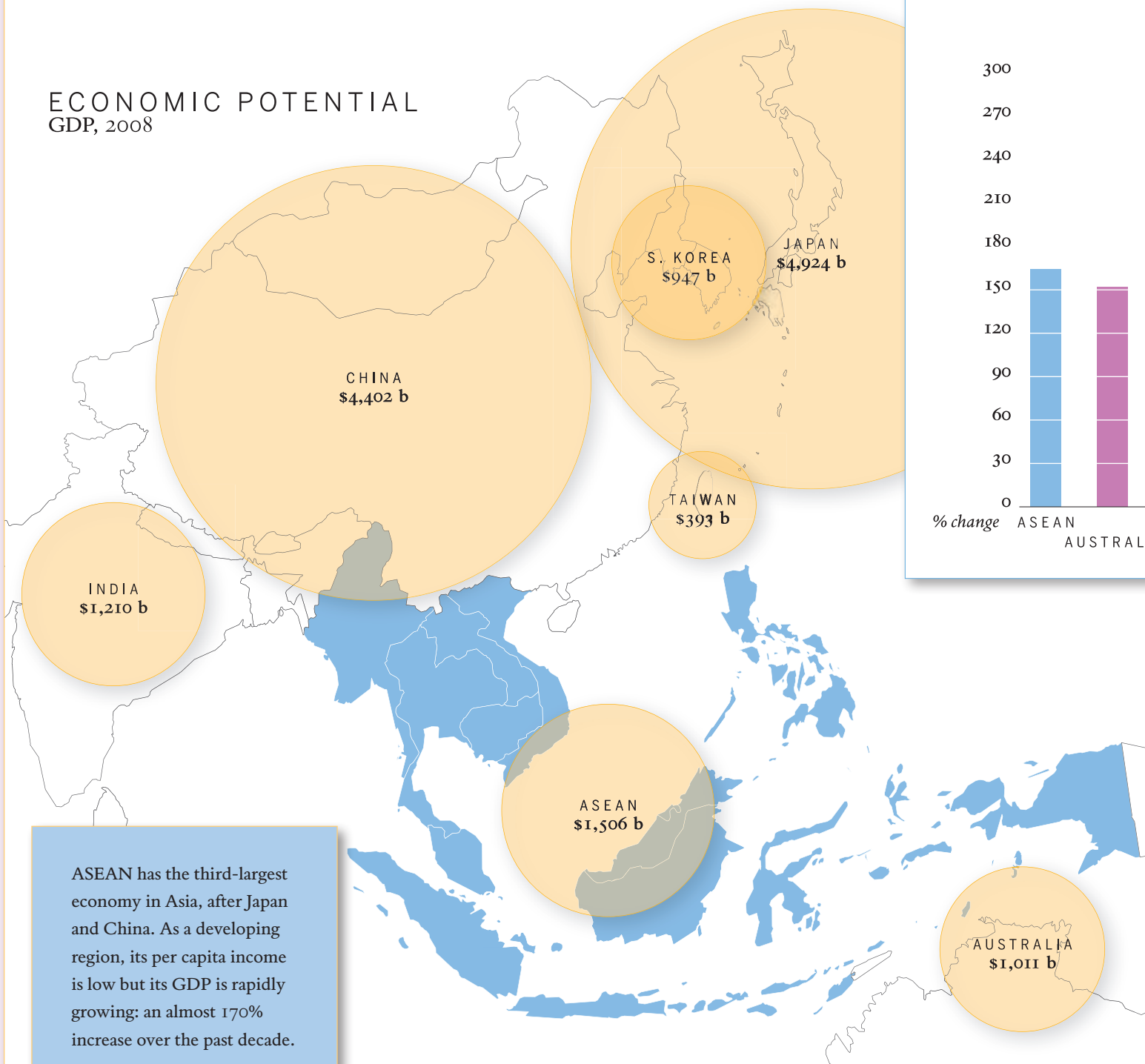


ASEAN's geostrategic importance stems from many factors, including the strategic location of member countries, the large shares of global trade that pass through regional waters and the alliances and partnerships which the United States shares with ASEAN member states.

Reflecting this, in July 2009, the United States signed ASEAN's *Treaty of Amity and Cooperation*, which establishes guiding principles intended to build confidence among its signatories with the aim of maintaining regional peace and stability.

## ECONOMIC POTENTIAL

GDP, 2008

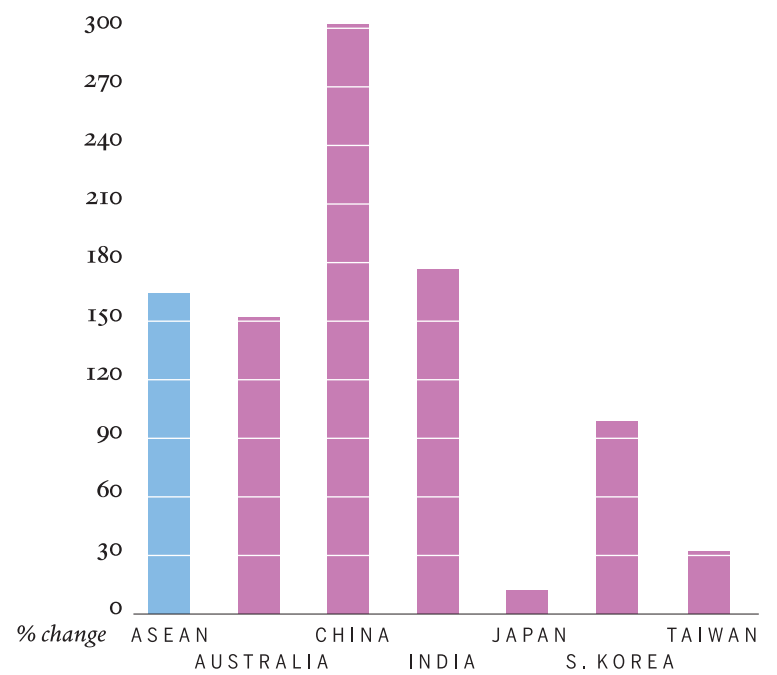


ASEAN has the third-largest economy in Asia, after Japan and China. As a developing region, its per capita income is low but its GDP is rapidly growing: an almost 170% increase over the past decade.

Source: IMF, World Economic Outlook Database

## GDP GROWTH

1999-2008



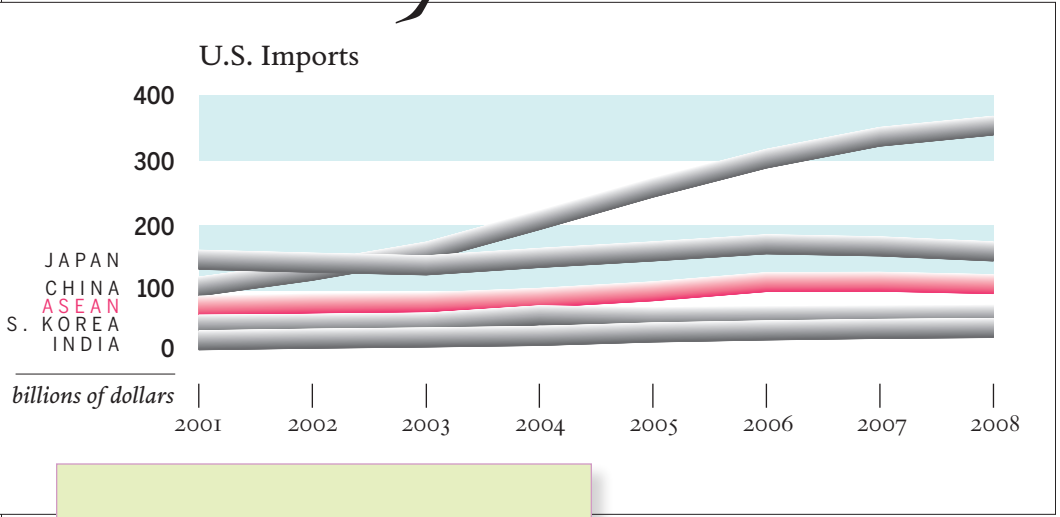
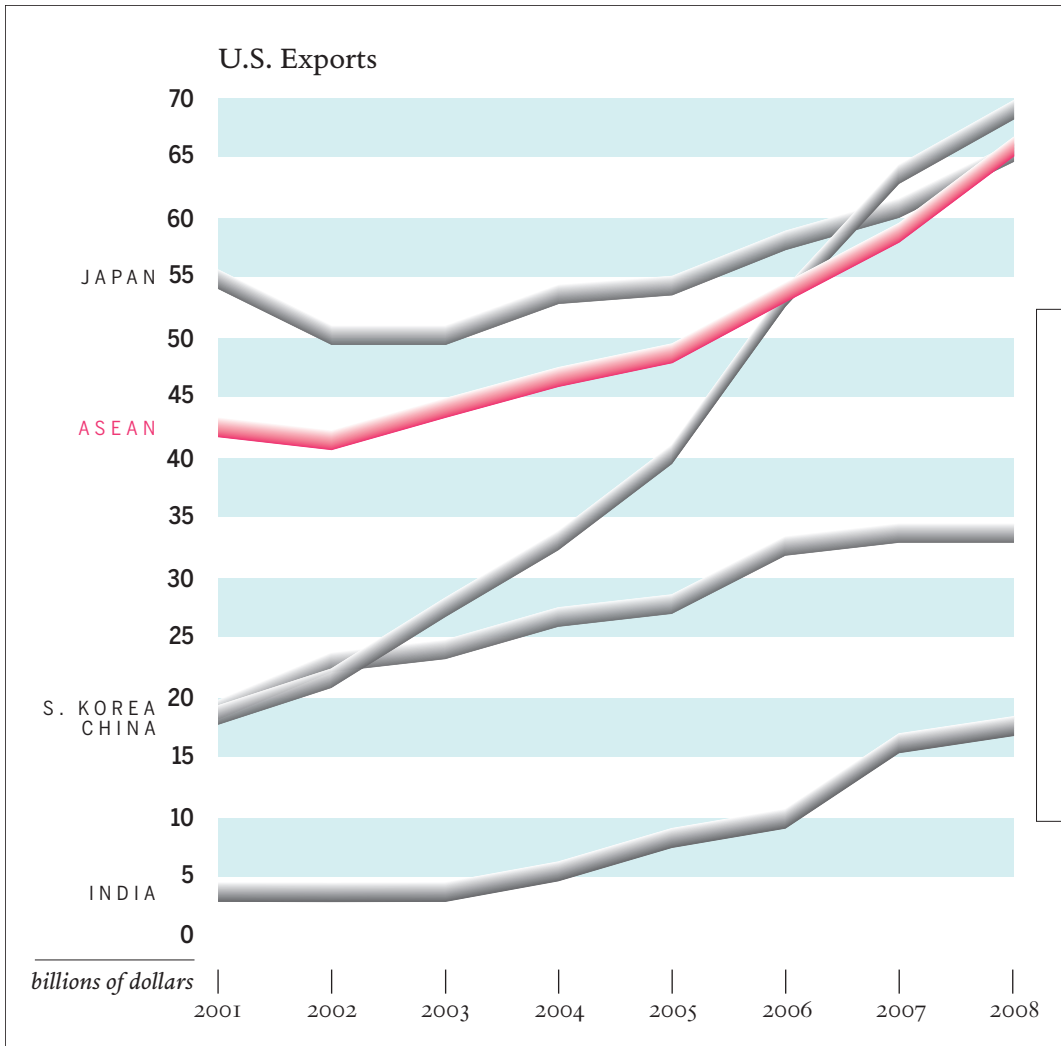
## PER CAPITA GDP

Per capita, \$ 2008

ASEAN	\$2,587
AUSTRALIA	47,400
CHINA	3,315
INDIA	1,016
JAPAN	38,559
SOUTH KOREA	19,505
TAIWAN	17,040

# why is ASEAN important?

## TRADE



ASEAN accounts for 6% of all world trade. The United States is ASEAN's third largest export market, comprising 12% of its exports, while exports to Japan make up 12%, China 10% and India 3%. U.S. exports to ASEAN totaled \$66 billion in 2008, up 62% from 2002.

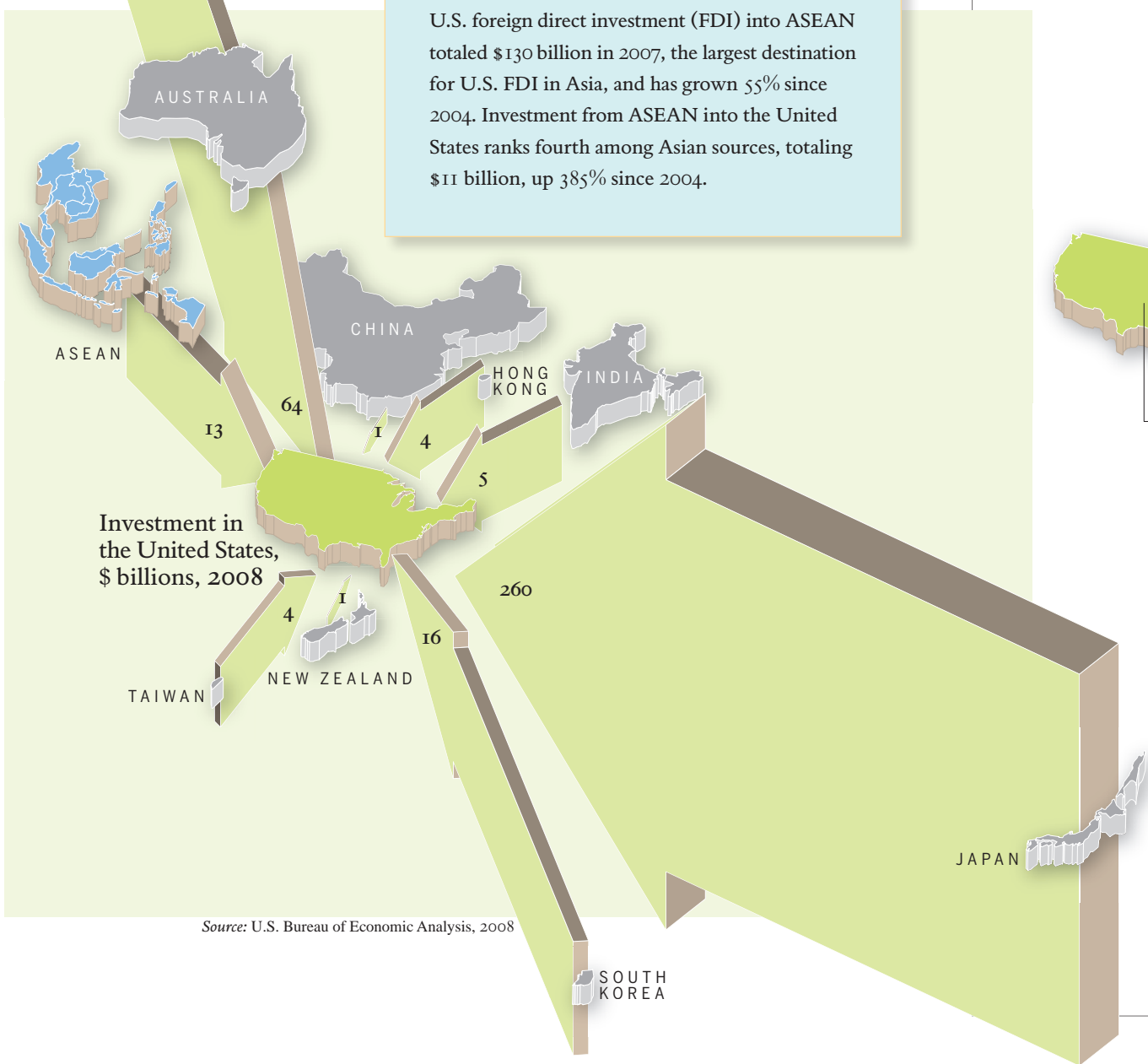
Source: Exports/Imports of Goods and Services, U.S. Bureau of Economic Analysis, 2001-2008; ASEAN web site (www.aseansec.org)

**...the United States must have strong relationships and a strong and productive presence here in Southeast Asia. This region is vital to the future of not only the United States and each of the countries, but to the world's common interests: a significant and trade-oriented regional economy; a critical strategic location; and a set of countries that will be key to any solutions we pursue on climate change, counterterrorism, global health, and so much else.**

*Hillary R. Clinton, Secretary of State  
February 2009*

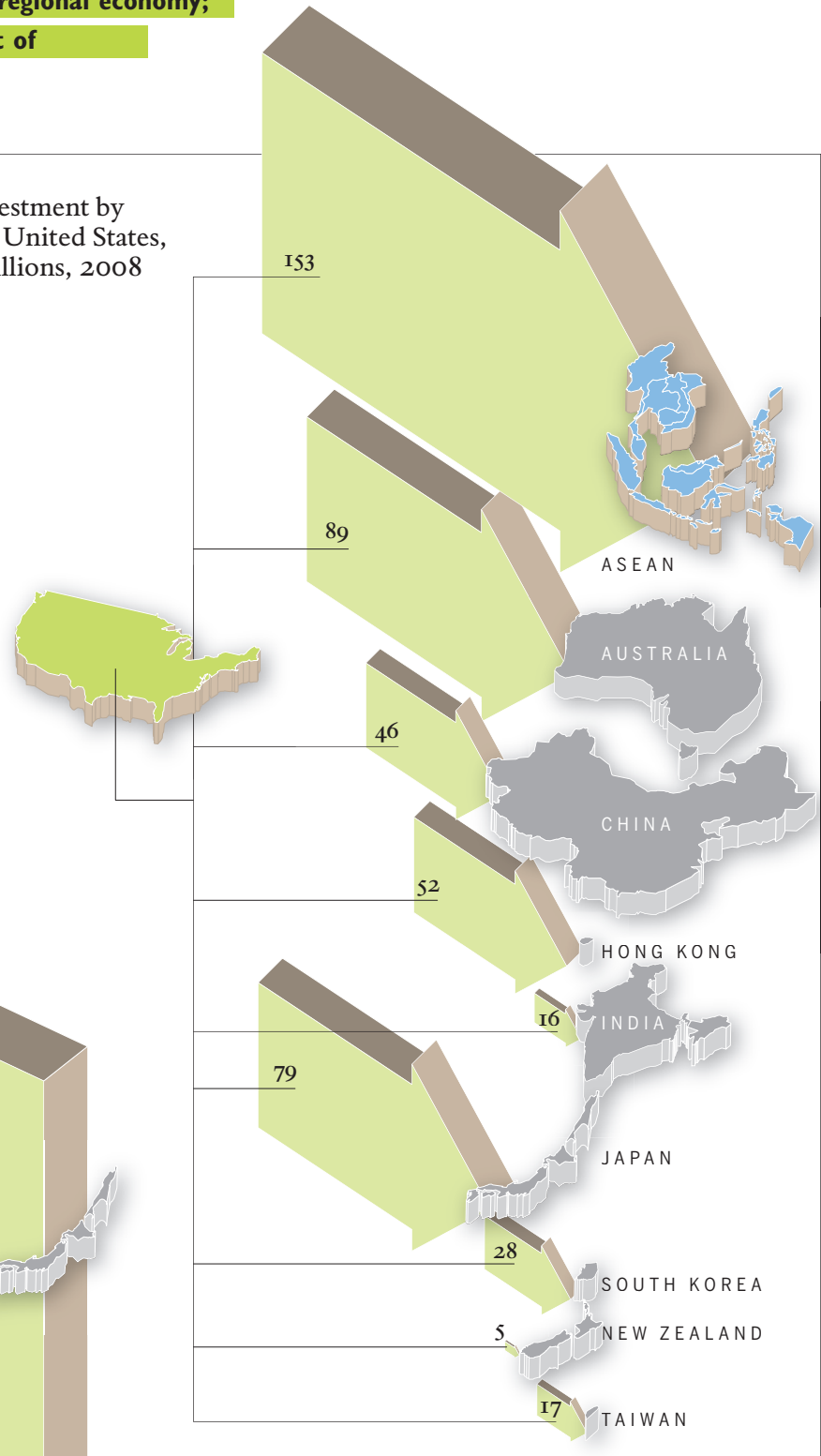
## FOREIGN DIRECT INVESTMENT

U.S. foreign direct investment (FDI) into ASEAN totaled \$130 billion in 2007, the largest destination for U.S. FDI in Asia, and has grown 55% since 2004. Investment from ASEAN into the United States ranks fourth among Asian sources, totaling \$11 billion, up 385% since 2004.



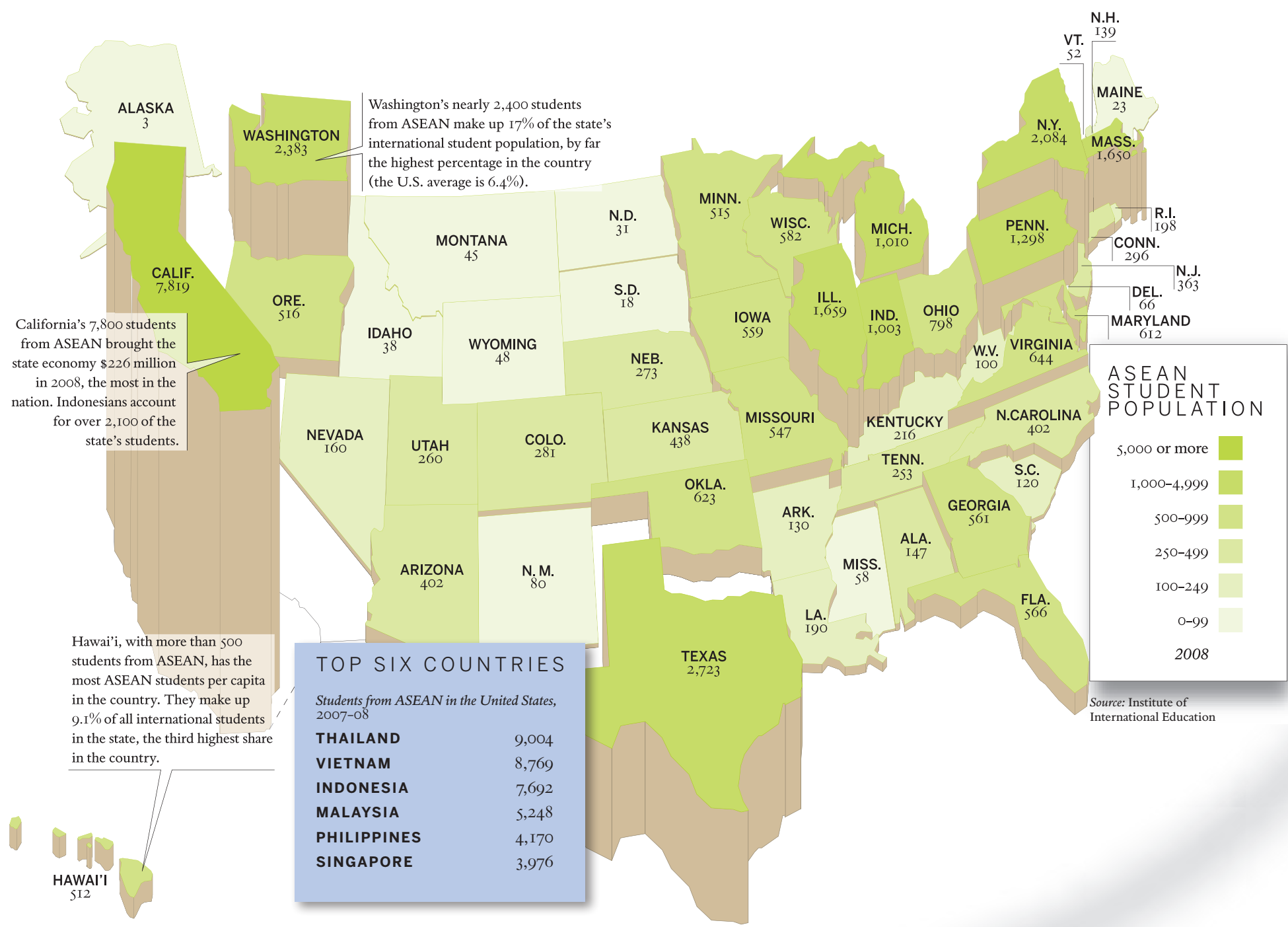
Source: U.S. Bureau of Economic Analysis, 2008

Investment by the United States, \$ billions, 2008





# ASEAN matters for AMERICA matters for ASEAN



## STUDENTS

### Students from ASEAN contribute \$1 billion to U.S. economy

There were nearly 40,000 international students from ASEAN in the United States in 2008. They contributed \$996 million to the U.S. economy. Thailand, Vietnam, and Indonesia ranked in the top twenty leading countries of origin for international students in the United States.

## TRADE

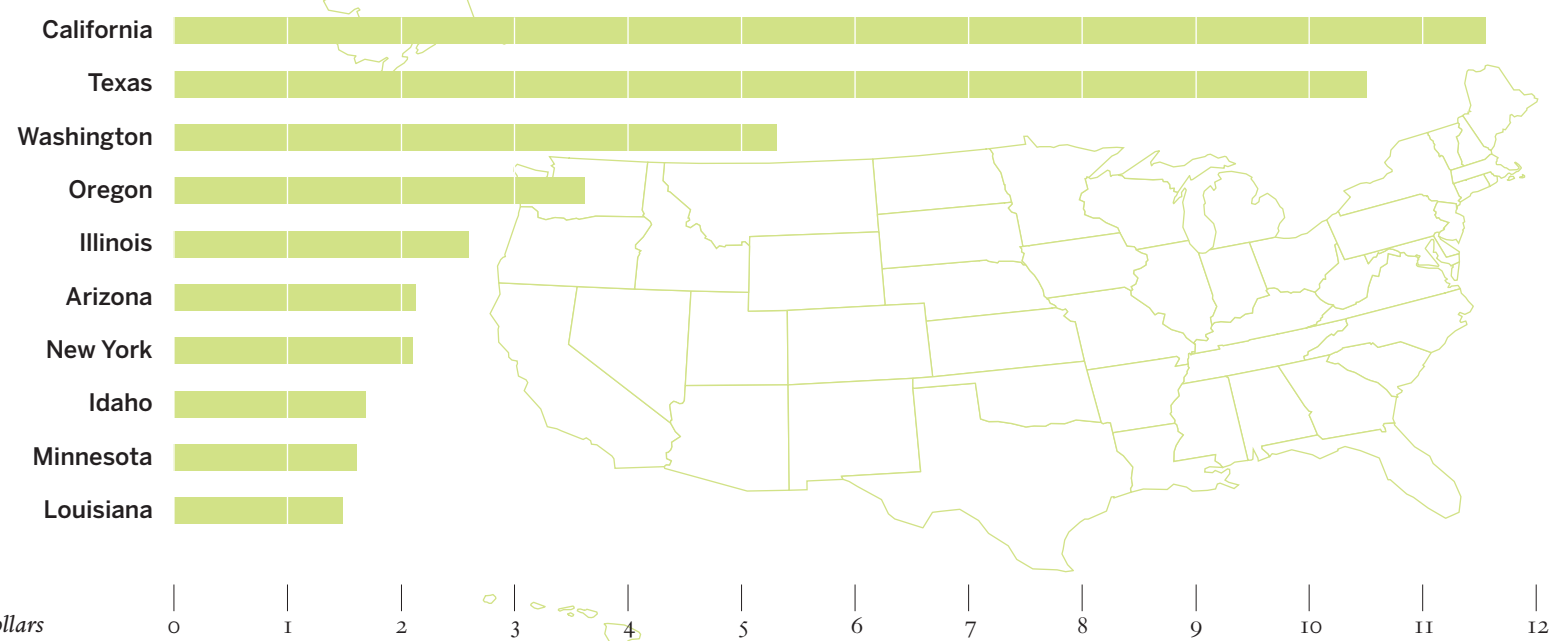
### U.S. exports to ASEAN total \$66 billion

Trade between ASEAN and the United States reached its highest point ever in 2008. U.S. exports to ASEAN totaled \$66 billion while ASEAN exports to the United States were \$115 billion.

Trade flows are robust and increasing between America and the region. Since 2002 exports to the United States have gained 40% in value while U.S. exports to ASEAN increased 62%.



### Exports of Goods and Services to ASEAN, 2008



Source: Wisner Trade as reported by the U.S. Census Bureau

## US-ASEAN RELATIONS FROM 1967

1967

Bangkok Declaration establishes ASEAN with five founding countries: Indonesia, Malaysia, the Philippines, Singapore, and Thailand

ASEAN, with its 41-year history, has been an anchor of stability, peace and harmony for this region. As a region, ASEAN...is ready, able and willing to work with the U.S. in the search for solutions to global impasses, including bridging the cultural divide.

Dr. Surin Pitsuwan, ASEAN Secretary General  
February 2009



## SISTER CITIES

### 64 Sister City relationships between U.S. and ASEAN

Forty-three U.S. cities or states have a "sister city" relationship with 64 partners in ASEAN. Sister cities are municipal partnerships between U.S. cities, counties, and states and similar

jurisdictions in other nations. Initiated by U.S. President Dwight Eisenhower in September 1956 to heal the wounds of war, sister city partnerships bring together local governments and community citizens to

strengthen mutual understanding and collaborate on issues such as international education, sustainable development, economic growth, and cultural understanding.

Source: Sister Cities International

## TOP TEN STATES

Growth in exports to ASEAN, % 2002-08

SOUTH DAKOTA	736%
MONTANA	623%
VERMONT	387%
NORTH DAKOTA	355%
MISSISSIPPI	338%
IDAHO	306%
DELAWARE	235%
KANSAS	225%
NEW HAMPSHIRE	215%
IOWA	182%

## TOP FIVE ASEAN

Growth in exports to the United States, % 2002-08

VIETNAM	436%
CAMBODIA	122%
INDONESIA	61%
THAILAND	57%
MALAYSIA	28%

Burma/Myanmar and Laos become the eighth and ninth members of ASEAN

1997

Cambodia becomes the tenth member of ASEAN

1999

Vietnam becomes the seventh member of ASEAN

1995

ASEAN Regional Forum (ARF) meets for the first time in Thailand to discuss political and security issues

1994

U.S.-ASEAN Joint Declaration for Cooperation to Combat International Terrorism is announced

2002

U.S.-ASEAN Trade and Investment Framework (TIFA) creates a formal dialogue mechanism to expand trade and investment

2006

ASEAN adopts a charter which establishes ASEAN as a legal entity, creates rules for membership, sets benchmarks for democracy, and creates a free trade area by 2015

2008

United States signs the Treaty of Amity and Cooperation (TAC), joining fifteen other non-ASEAN signatories

2009

## TOP TEN STATES

ASEAN share of foreign born, % 2007

HAWAII	50%
ALASKA	34%
MINNESOTA	20%
WASHINGTON	17%
SOUTH DAKOTA	16%
CALIFORNIA	15%
LOUISIANA	15%
NEVADA	14%
MONTANA	13%
WISCONSIN	13%

## BORN IN ASEAN

### One third of Asian foreign born in U.S. are from ASEAN

There are 3.5 million persons born in an ASEAN country living in the United States. They make up 9% of the U.S. foreign born population and have increased 11% from 2003 to 2007.

