



# ASIA MATTERS FOR AMERICA MATTERS FOR ASIA



EAST-WEST CENTER

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Funded by the Henry Luce Foundation

The East-West Center promotes better relations and understanding among the people and nations of the United States, Asia, and the Pacific through cooperative study, research, and dialogue. Established by the US Congress in 1960, the Center serves as a resource for information and analysis on critical issues of common concern, bringing people together to exchange views, build expertise, and develop policy options.

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# Asia Matters for America / America Matters for Asia

*Asia Matters for America / America Matters for Asia* is an interactive resource for credible and nonpartisan information, graphics, analysis and news on US-Asia Pacific relations at the national, state and local levels.

**AsiaMattersforAmerica.org**

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The East-West Center gratefully acknowledges the support of the Henry Luce Foundation, the Institute of Southeast Asian Studies (ISEAS), the Sasakawa Peace Foundation, the United States Studies Centre at the University of Sydney and the Asan Institute for Policy Studies.

# Asia Matters for America Highlights

## TRADE

### 28% of US goods and 27% of services exports go to Asia

Asian countries are among the United States' fastest growing markets. Vietnam, India and China are among America's fastest growing trade partners.

## JOB FROM EXPORTS

### 32% of US jobs from exports depend on exports to Asia

Exports to Asia supported 1.2 million jobs in 2012, 52% more than in 2002.

## INVESTMENT

### 100% is the increase of US investment in Asia and Asian investment in the US over the past decade

Singapore, India, China and South Korea are four of the top ten fastest growing sources of foreign direct investment in the US.

## INTERNATIONAL STUDENTS

### 64% of international students in America are from Asia – contributing \$14 billion to the US economy

Students from Asia have increased by 50% since the 2001-02 academic year.

## STUDY ABROAD

### 16% of Americans studying abroad go to Asia

Over 45,000 American students went to Asia in 2010-11, nearly 110% more than a decade earlier.

## ASIANS & ASIAN AMERICANS

### 5.6% or 17 million Americans identify as Asian or Asian American

Asians and Asian Americans are the fastest growing racial groups in the United States, up 46% from 2000 to 2010.

## TRAVEL & TOURISM

### 8.5 million visitors from Asia contribute \$41 billion to the US economy

Tourism from Asia earned the US economy more revenue than tourism from Latin America or the European Union in 2011.

## SISTER PARTNERSHIPS

### 850 sister partnerships between the US and Asia build civic and people-to-people relationships

95 US communities raised \$2.4 million for their Japanese sister cities affected by the March 2011 earthquake and tsunami disasters.

## SECURITY

### Asia is critical to US national security because of the region's rising powers, long-standing American allies and new partners, economic growth and military modernization

Five US treaty allies are in the Asia Pacific, and the US has close or growing partnerships with India, Indonesia, New Zealand, Singapore and Vietnam, among others.

## STATES & CONGRESSIONAL DISTRICTS

### 39 states send at least a quarter of their exports to Asia

68% of congressional districts exported more than \$500 million to Asia in 2011.

## America's Definitions of Asia and the Pacific

Americans have never had a consistent definition of Asia and the Pacific. Their conceptions of the region have been influenced by European ideas, breakthroughs in map-making and racial stereotypes, among other factors. America's definitions of Asia for policy purposes—mainly diplomacy and defense—have usually been shaped not by grand strategy but by bureaucratic battles and ad hoc decisions of key officials.

Today, US policy increasingly sees an interlinking of interests across the broad expanse from South Asia through East Asia to the Western Pacific. Official statements describe “the East Asian littoral running from the Sea of Japan to the Bay of Bengal” or, more simply, the “Indo-Pacific region.” The *Asia Matters for America* initiative has adopted an interpretative definition of Asia to encompass 40 countries, from Afghanistan to the Pacific islands.

Note: Borders are not necessarily authoritative.  
Source: Adapted from Satu Limaye, “Want a New Map of Asia? Include the United States,” *Asia Pacific Bulletin*, No. 105.

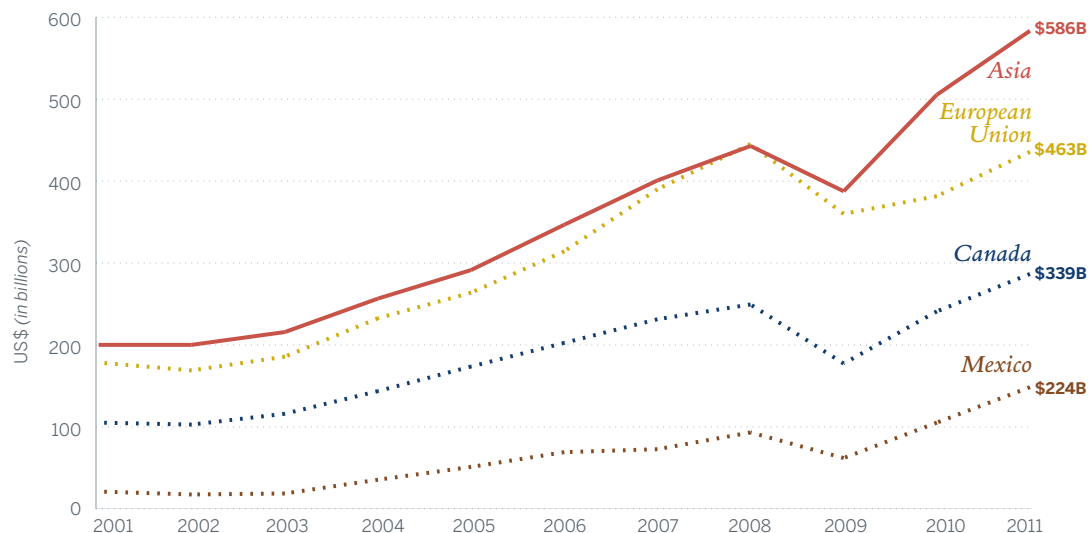


# 28% of US Goods and 27% of Services Exports Go to Asia

The United States exported \$408 billion in goods and \$156 billion in services to Asia.\* Goods and services exports to Asia from 2001 to 2011 have grown 8% per year. Thirty-nine states sent at least a quarter of their goods exports to Asia. Together, exports of goods and services to Asia (\$586 billion) exceeded those to the European Union (\$463 billion) and to Canada and Mexico combined (\$563 billion). Asia presents a fast-growing market for US exports, particularly Vietnam (where US goods exports have grown 23% per year since 2002), India (18%) and China (17%).

## US EXPORTS OF GOODS AND SERVICES

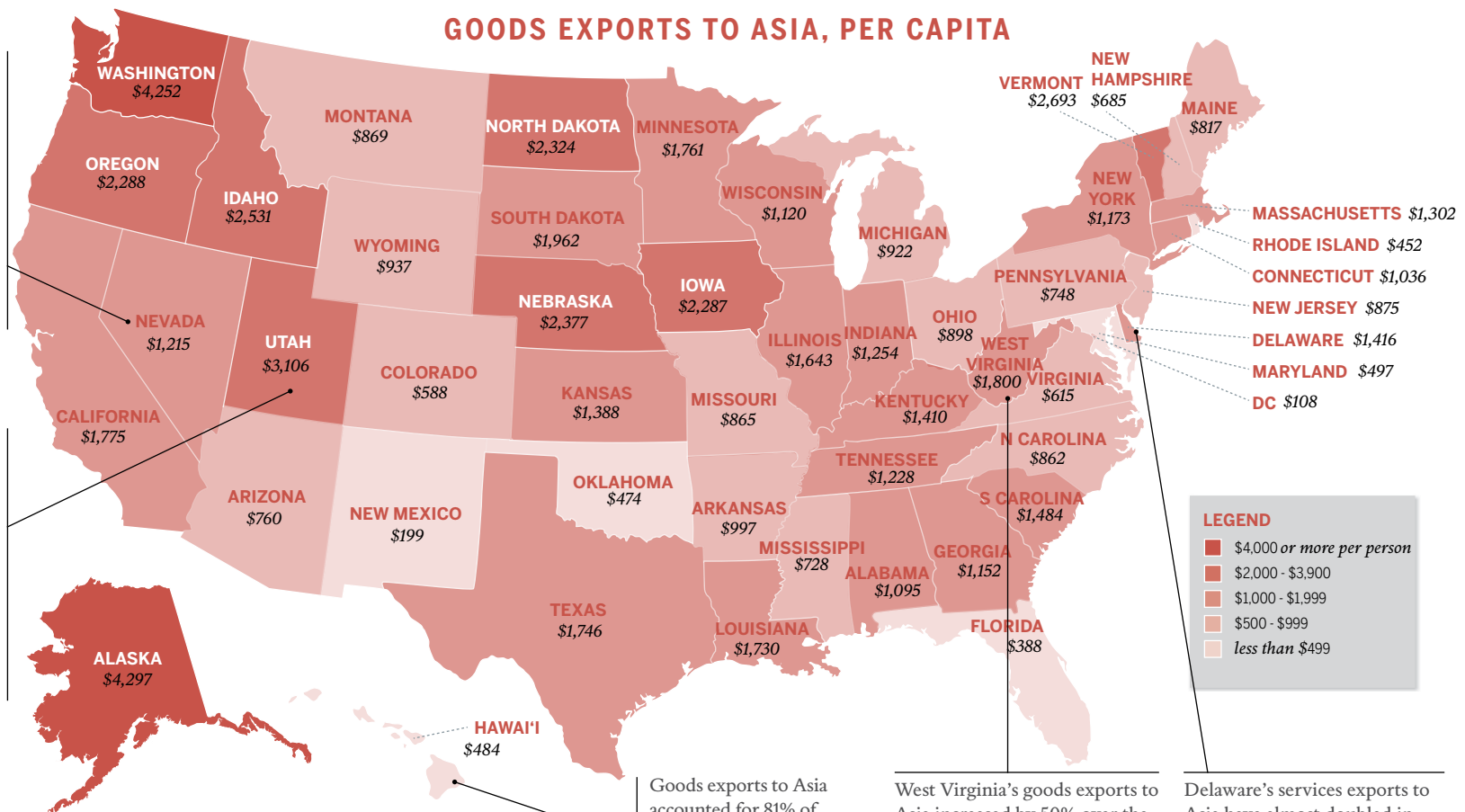
Asia is the leading destination for US exports, with strong growth since the 2009 Global Financial Crisis.



\*Based on 2012 data for goods and 2011 data for services, the most recent available as of April 2013.

Nevada experienced the largest year-on-year increase in goods exports to Asia, from \$1.4 billion in 2011 to \$3.4 billion in 2012, a growth of over 140%, with nonferrous metal the leading export.

Utah's goods exports to Asia have grown by 31% per year over the past five years, the fastest growth rate in the country, from \$2.3 billion in 2007 to almost \$9 billion in 2012.

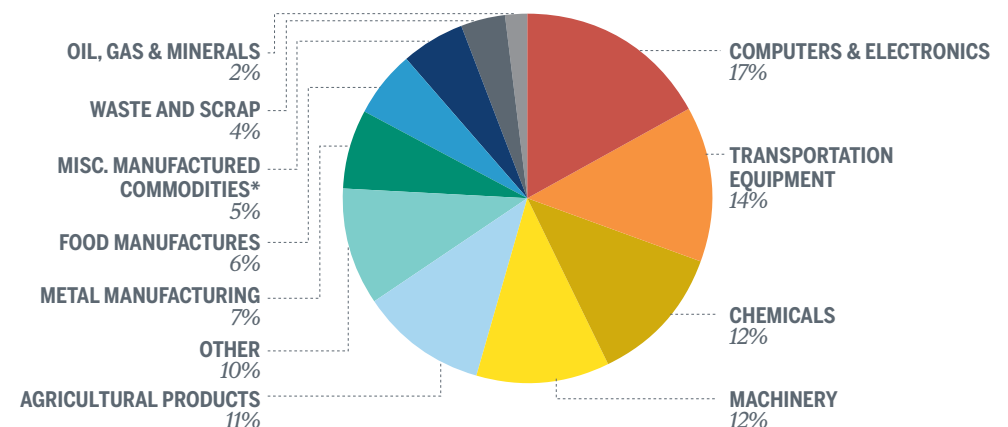


Goods exports to Asia accounted for 81% of Hawai'i's \$828 million goods exports in 2012, the largest share in the country.

West Virginia's goods exports to Asia increased by 50% over the previous year, from \$2.2 billion to \$3.3 billion, the second largest increase nationwide.

Delaware's services exports to Asia have almost doubled in five years, from \$285 million in 2006 to \$566 million in 2011, the fastest growth in the country.

## COMPOSITION OF US GOODS EXPORTS TO ASIA



\* Includes medical equipment and supplies, jewelry, sporting goods, toys & games, and others.

Sources: US Bureau of Economic Analysis; US Census Bureau; State data estimated by The Trade Partnership (Washington, DC) from the US Census Bureau and the US Department of Agriculture.

# 32% of US Jobs From Exports Depend on Exports to Asia

Exports to Asia supported 1.2 million American jobs in 2012, up 52% from 2002. Twenty five states have more than a third of their export-dependent jobs supported by exports to Asia – five are located on the West Coast, fifteen are located in the West, Midwest and South and five are located on the East Coast.

## TOP TEN:

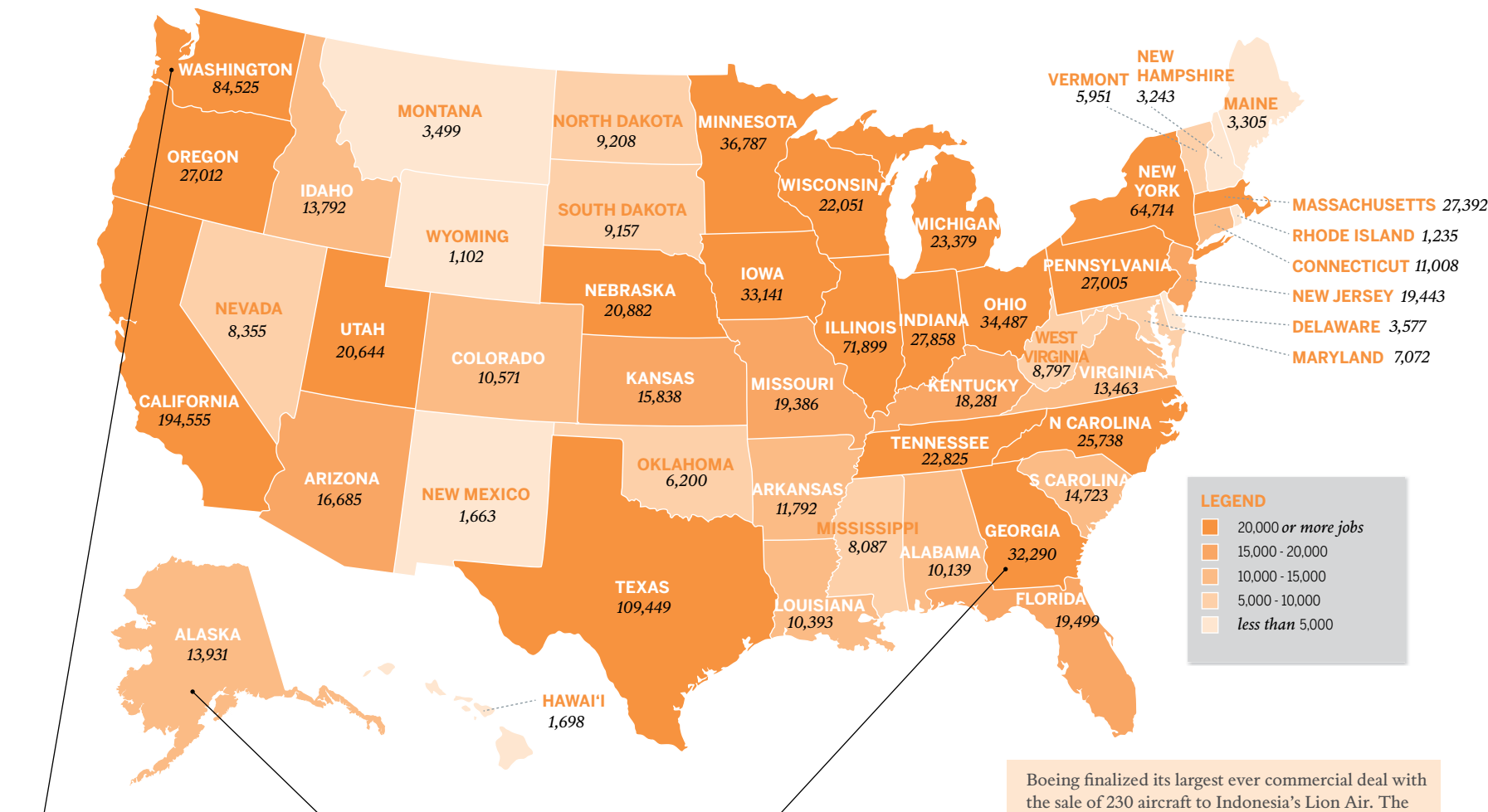
Share of all export-dependent jobs supported by exports to Asia

STATE	SHARE
Alaska	71%
Hawai'i	69%
Idaho	64%
Oregon	54%
Nebraska	52%
South Dakota	51%
Utah	47%
Iowa	46%
Minnesota	45%
Washington	45%

Share of total non-farm workforce supported by exports to Asia

STATE	SHARE
Alaska	4.2%
Washington	2.9%
Idaho	2.2%
Iowa	2.2%
Nebraska	2.2%
North Dakota	2.2%
South Dakota	2.2%
Vermont	2.0%
Utah	1.6%
Minnesota	1.3%

## JOBS SUPPORTED BY EXPORTS TO ASIA



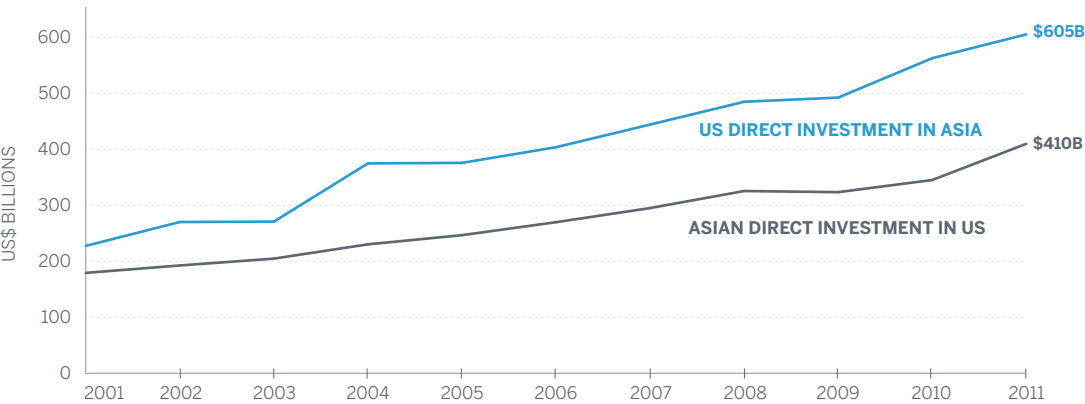


# Investment To and From Asia Has Doubled

US investment in Asia reached \$605 billion in 2011, up from \$227 billion in 2001 and growing at an average rate of 10% per year. Asian investment in the United States was \$410 billion in 2011, more than double what it was in 2001. Japan is the only major Asian country that has invested more in the US than the US has in the corresponding country. Investment also supports trade, as US affiliates of Asia-owned companies accounted for 5% (\$67 billion) of all US goods exports and 11% (\$212 billion) of all US goods imports in 2010.

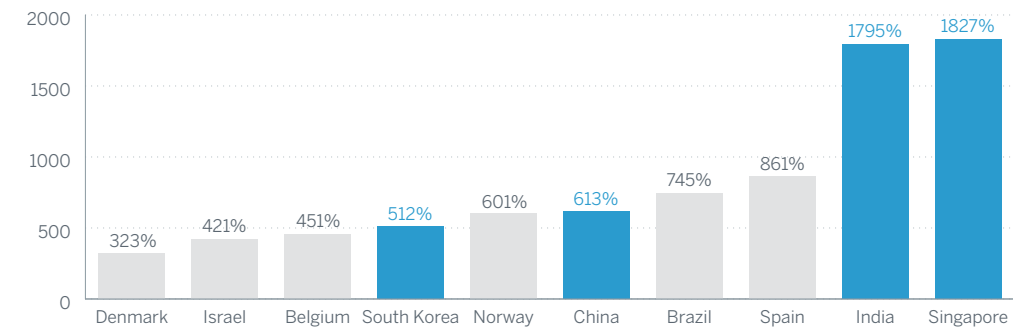
## DIRECT INVESTMENT

US investment in Asia has increased by 166% since 2001 and Asian investment in the US has jumped 129%



## TOP 10 FASTEST GROWING INVESTORS IN US

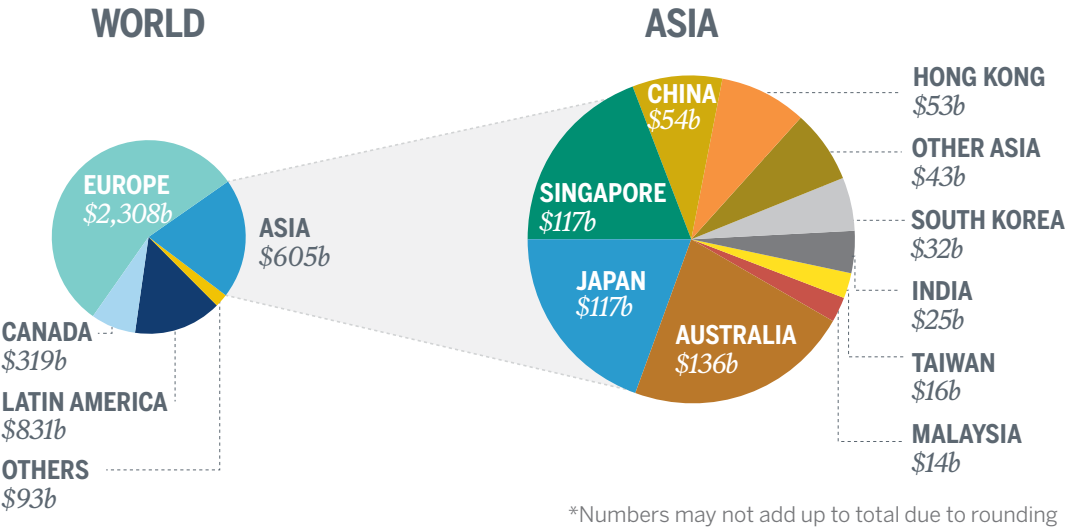
Asian companies account for four of the top ten fastest growing major sources of foreign investment in the US, 2001-2011



Source: US Bureau of Economic Analysis (countries with more than US\$250 million in investment in the United States in 2001)

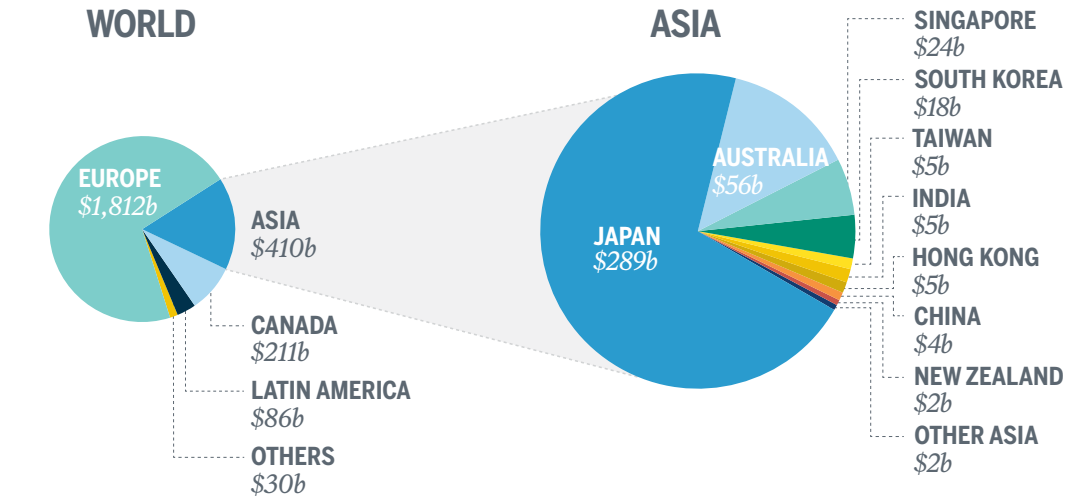
# US DIRECT INVESTMENT ABROAD (STOCK IN US\$ BILLIONS\*)

American direct investment in Asia is concentrated in the most developed economies



# FOREIGN DIRECT INVESTMENT IN US (STOCK IN US\$ BILLIONS)

Japanese companies account for nearly three-quarters of direct investment from Asia in the US



## 64% of International Students are from Asia

About 492,000 Asian students studied in the US during the 2011-2012 academic year, accounting for 64% of America's international students and contributing \$14 billion to the US economy. The number of students from Asia has increased by 164,000, or 50%, since the 2001-02 academic year.

## TOP TEN:

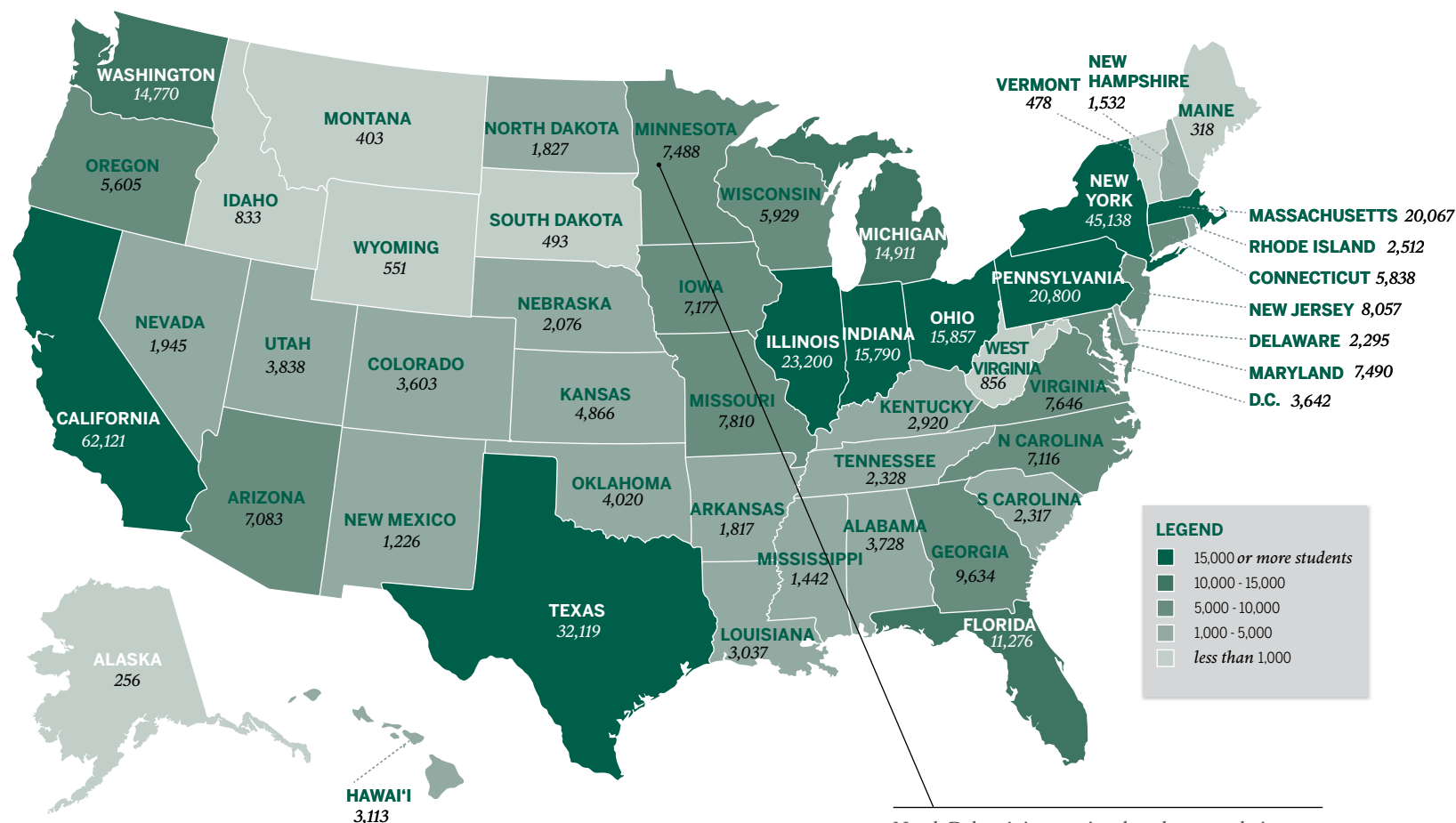
### Share of Students from Asia

STATE	ASIA'S SHARE OF ALL INT'L STUDENTS
Nevada	76%
Washington	73%
Indiana	71%
Hawai'i	70%
Illinois	65%
Iowa	64%
Connecticut	62%
Pennsylvania	62%
Delaware	61%
California & Ohio	60%

### Economic Contribution of Students from Asia (US\$ M)

STATE	CONTRIBUTION
California	\$1,943 M
New York	1,415
Massachusetts	724
Texas	708
Pennsylvania	670
Illinois	648
Indiana	490
Michigan	443
Ohio	430
Washington	390
<b>US Total</b>	<b>\$14 B</b>

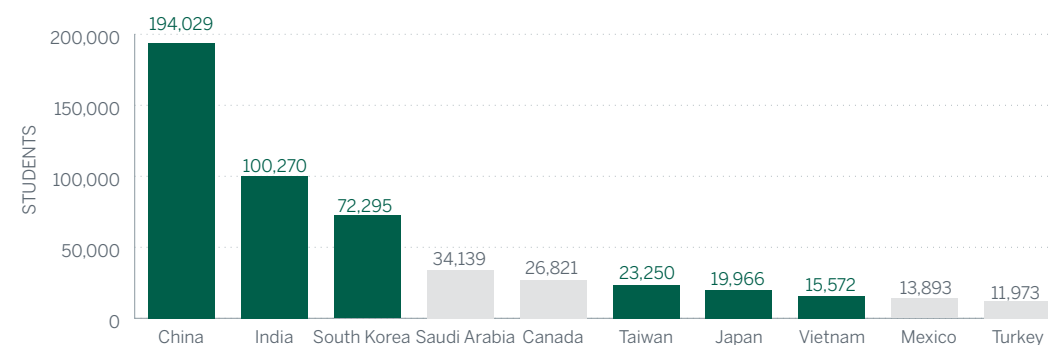
## INTERNATIONAL STUDENTS FROM ASIA



North Dakota's international student population from Asia has increased by 28% per year since 2001-02, the fastest growth in the continental US. Chinese and Indian students made up two-thirds of Asian students studying in North Dakota during 2011-12.

## TOP PLACES OF ORIGIN

Asia accounts for six of the ten leading countries of origin of international students in the US

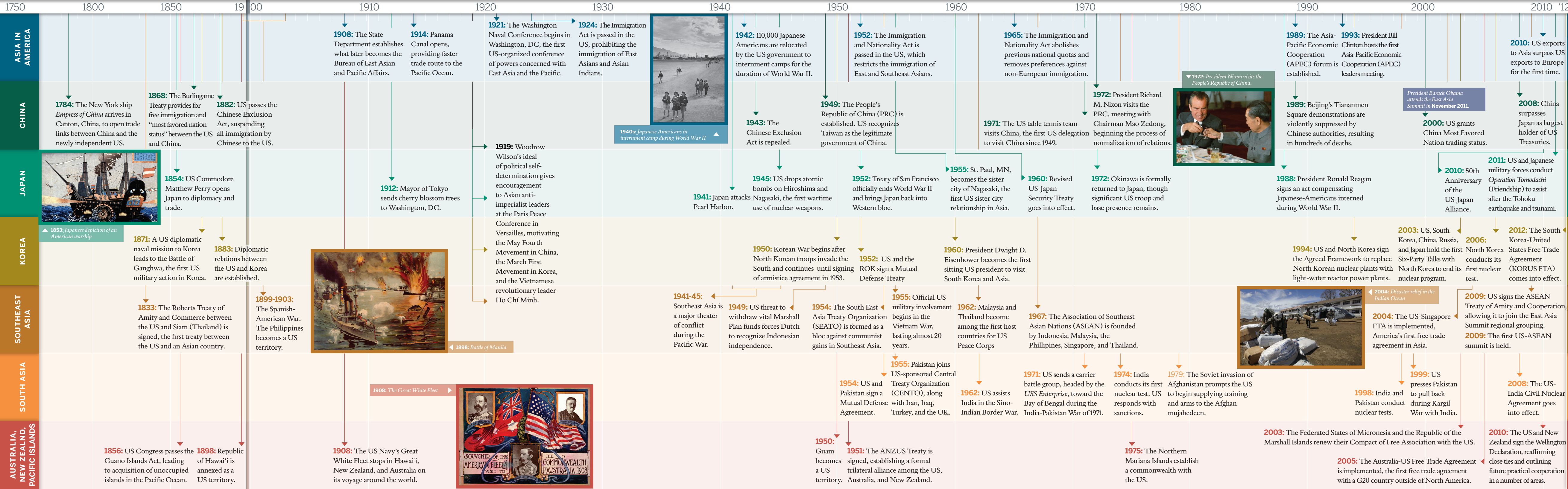


Sources: Institute of International Education (IIE) and NAFSA (Association of International Educators).

Note: State totals on map do not add up to national total as some students' residences are not reported.



# MILESTONES IN UNITED STATES-ASIA RELATIONS

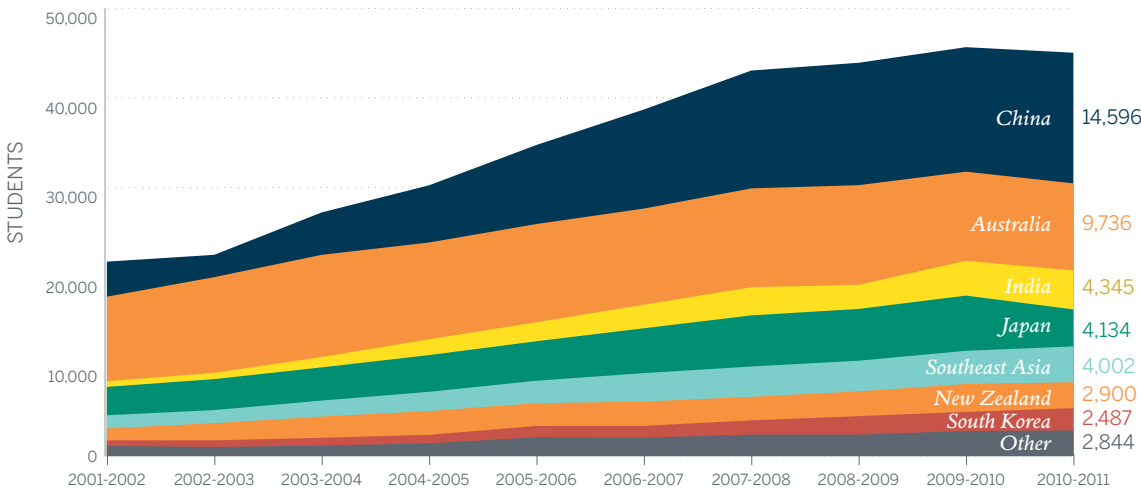


# 16% of Americans Studying Abroad Go to Asia

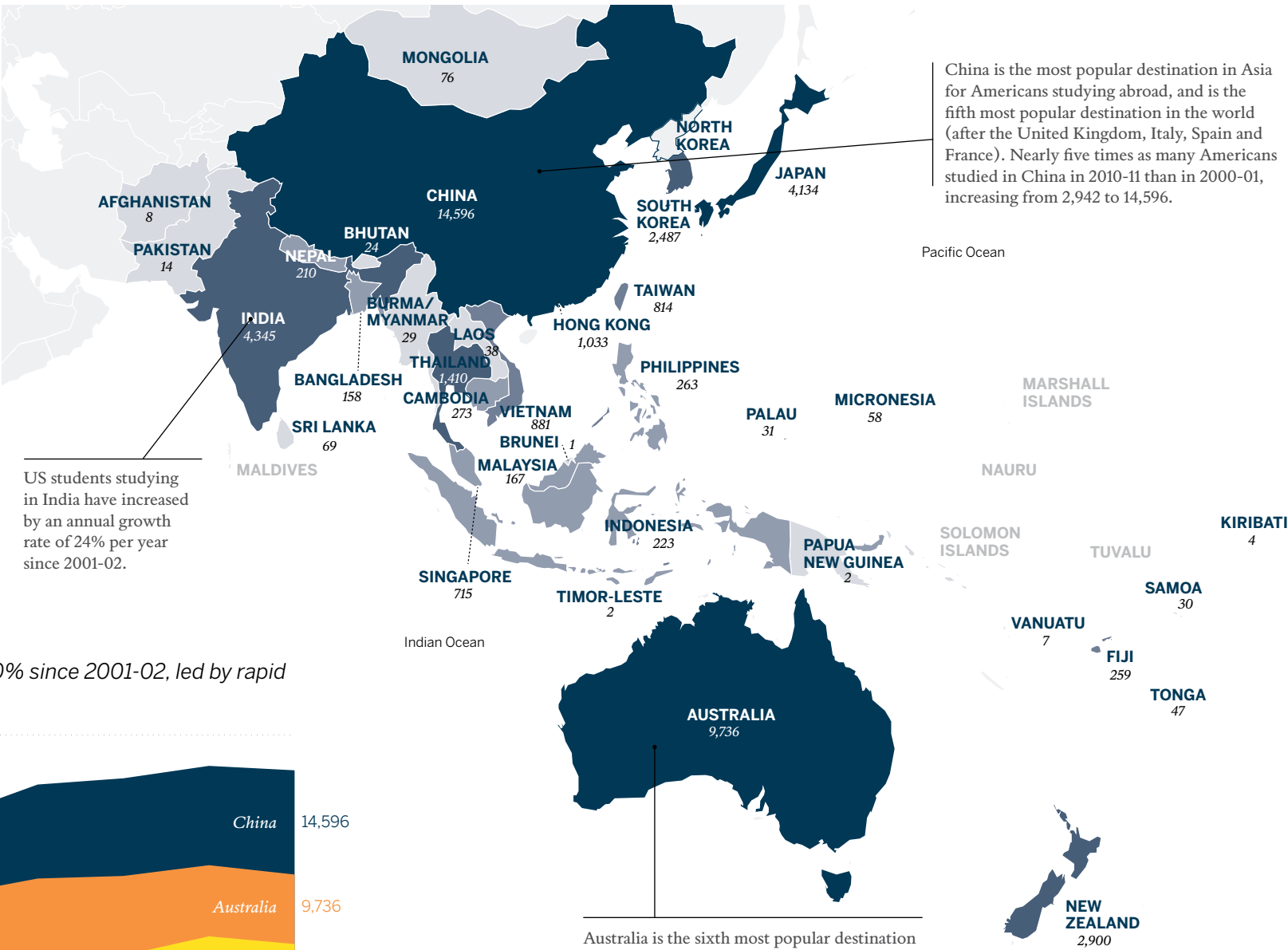
The number of Americans studying abroad in Asia has more than doubled in the last decade, from 21,700 in the 2001-02 academic year to 45,000 in 2010-11. About one-third of students go to English speaking countries, such as Australia and New Zealand, but the popularity of other countries, especially China, is growing rapidly. Europe continues to be the leading region of choice for US students studying abroad, but Europe's share has declined to 55% from 63% a decade ago.

## STUDY ABROAD IN ASIA

American students in Asia have increased by nearly 110% since 2001-02, led by rapid growth to China.



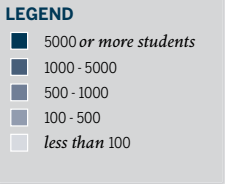
## STUDY ABROAD IN ASIA



China is the most popular destination in Asia for Americans studying abroad, and is the fifth most popular destination in the world (after the United Kingdom, Italy, Spain and France). Nearly five times as many Americans studied in China in 2010-11 than in 2000-01, increasing from 2,942 to 14,596.

US students studying in India have increased by an annual growth rate of 24% per year since 2001-02.

Australia is the sixth most popular destination in the world for Americans studying abroad, and the second most popular in Asia.



Source: Institute of International Education (IIE)



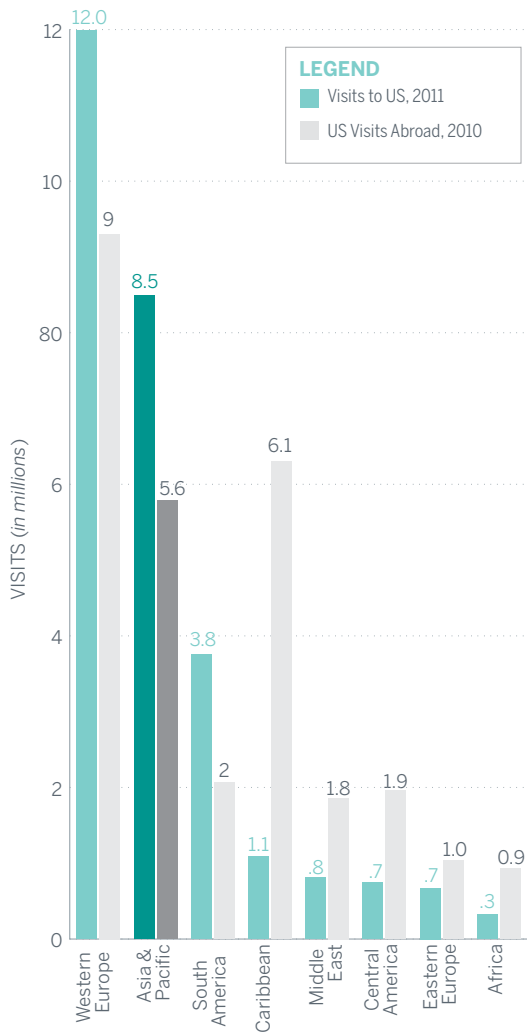


# Visitors from Asia Spend \$41 Billion in the US

8.5 million visitors from Asia came to the United States in 2011, more than 25% of all overseas visitors. Tourism is one of America’s largest exports; accounting for 25% of all services exports, and 7% of total US exports in 2011. Travelers from Asia contribute more to the US economy than do visitors from Latin America or the European Union (each spent nearly \$38 billion). Japan is the leading Asian country of origin for visitors to the US, but China has recently surpassed Japan as the leading destination in Asia for US travelers.

## VISITS TO & FROM ASIA

Asia is the second leading source of foreign travelers to the US and in recent years has tied for second as a destination for American travel overseas.

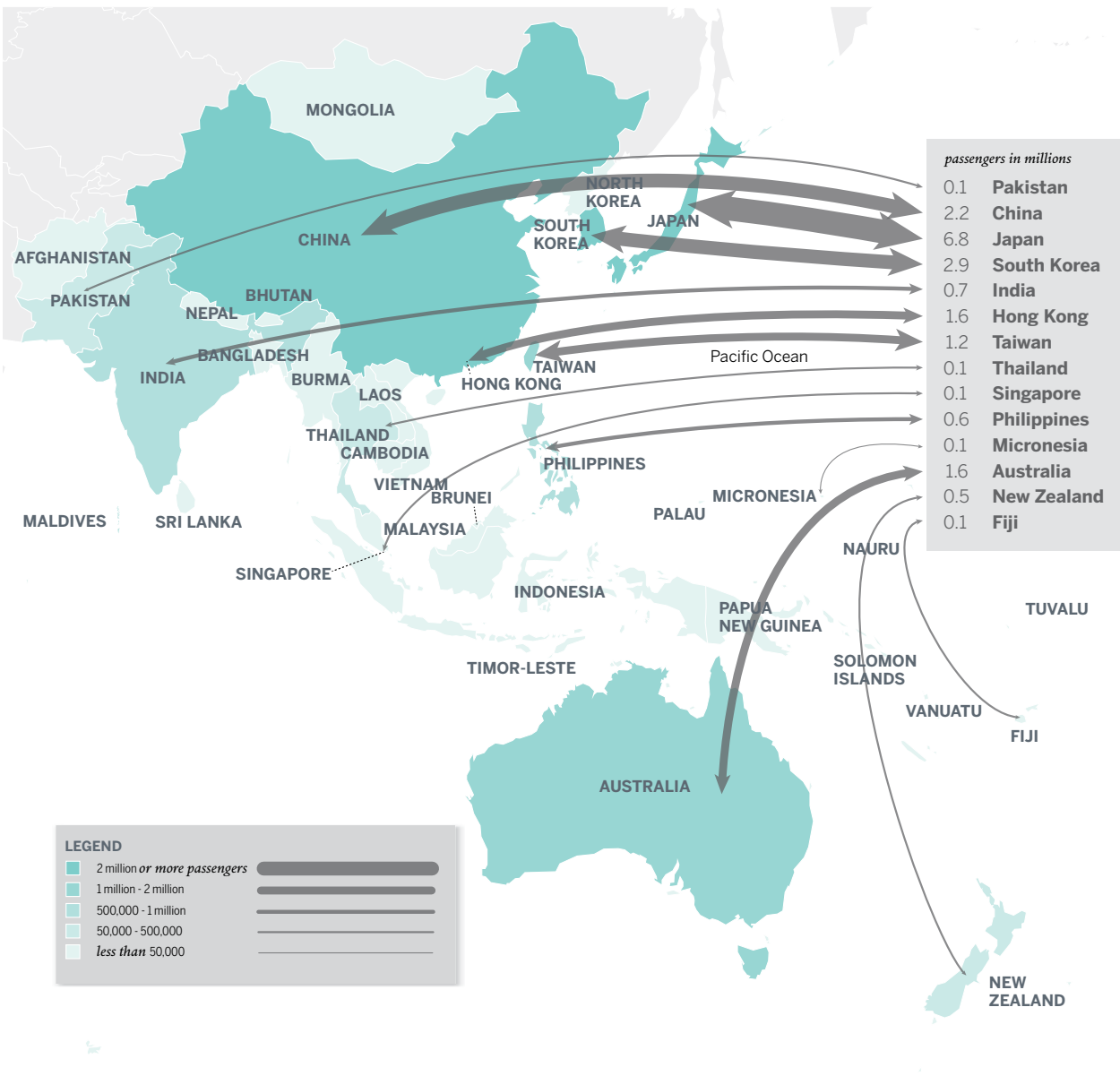


## VISITOR SPENDING TO & FROM ASIA

COUNTRY	US REVENUE FROM ASIA, 2011 (US\$ B)	US SPENDING IN ASIA, 2011 (US\$ B)
Japan	14.8	5.0
China	5.0	2.5
Australia	5.0	2.5
India	4.4	2.4
South Korea	3.8	4.0
Taiwan	1.1	2.7
Other	0.9	1.9
New Zealand	0.8	1.2
Philippines	0.7	1.4
Hong Kong	0.6	2.5
Singapore	0.6	0.6
Thailand	0.3	0.7
Indonesia	0.3	0.2
Malaysia	0.2	0.2
Asia Total	\$41.1	\$28.7

## AIR PASSENGERS BETWEEN US AND ASIA

There were 18.5 million two-way air passengers between the US and Asia, accounting for 16% of all US source or destination air flights.



Sources: Tourism from US International Trade Administration (excludes Canada and Mexico -- 34.4 million visits to US in 2011, and 31.8 million US visits in 2010). Flights from US Department of Transportation (two-way T-100 segment).

# 850 Sister Partnerships Between the US and Asia Build Civic and People-to-People Relationships

The first US sister city partnership in Asia was formed between St. Paul, Minnesota, and Nagasaki, Japan, on December 7, 1955, the fourteenth anniversary of the bombing of Pearl Harbor. Since then, sister cities have engaged in cultural, educational, informational and trade exchanges. In response to the March 2011 earthquake and tsunami disasters in Japan, 95 US communities raised \$2.4 million for affected sister cities and their partners.

Sister city partnerships are municipal partnerships between US cities, counties, ports and similar jurisdictions in Asia. There are also 88 sister relationships between US states and provinces/prefectures across Asia. Many, but not all, sister cities are members of Sister Cities International, which assists in the matching process, and supports new and established sister cities.

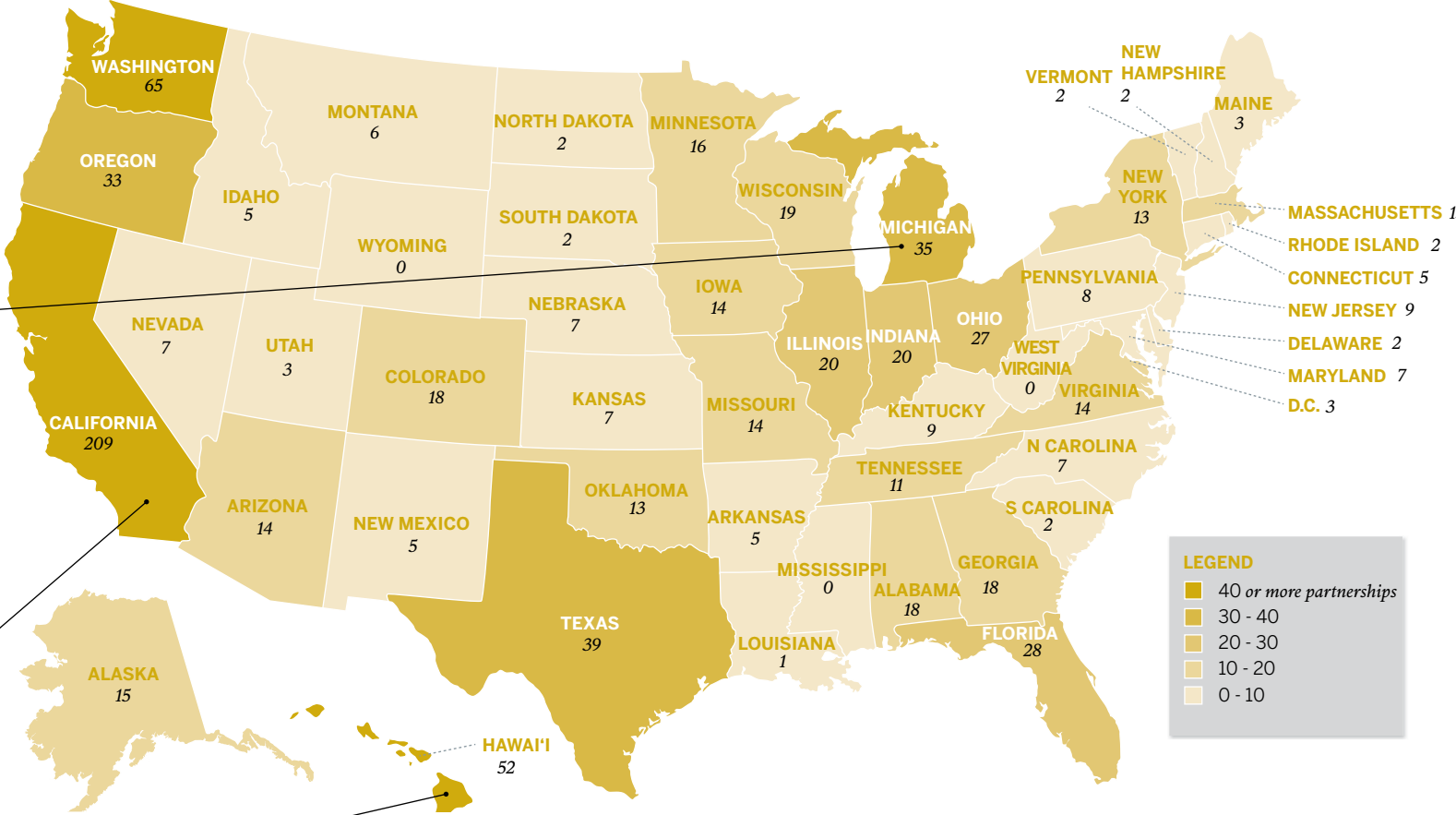
Most of Michigan's 35 sister city partnerships in Asia are with Japan, due to the 1968 Sister State Agreement with Shiga prefecture. Many partnerships have featured middle-school student exchanges or student artwork swaps. In addition, an annual Goodwill Mission features sightseeing and homestays.

Bakersfield, CA, and Bucheon City, South Korea, have a young but active sister city partnership. This relationship was officially signed in 2006. Students from both cities have made reciprocal visits, including a Korean dance troupe performance at California State University and a concert by members of the Bakersfield Youth Symphony in Bucheon.

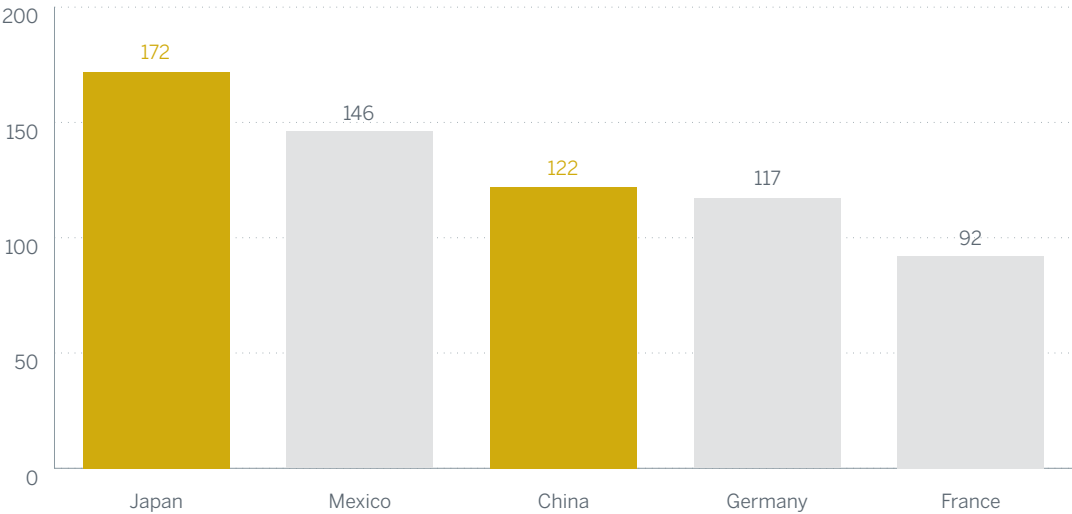
The state of Hawai'i maintains 12 sister state relationships with provinces and prefectures in China, Japan, Taiwan, South Korea, and the Philippines. The policy of the state's Office of International Relations is to build active partnerships where economic benefit is co-equal to the "historic purposes of friendship, cultural ties, and goodwill."

Source: Sister Cities International (SCI); CLAIR (Japan); individual sister city partnerships. (Note: not all sister cities are affiliated with SCI)

SISTER CITY AND STATE PARTNERSHIPS BETWEEN THE US AND ASIA



COUNTRIES WITH MOST SISTER CITY PARTNERSHIPS IN THE US  
Comparative numbers based on SCI membership; independent partnerships increase the totals beyond those listed below.



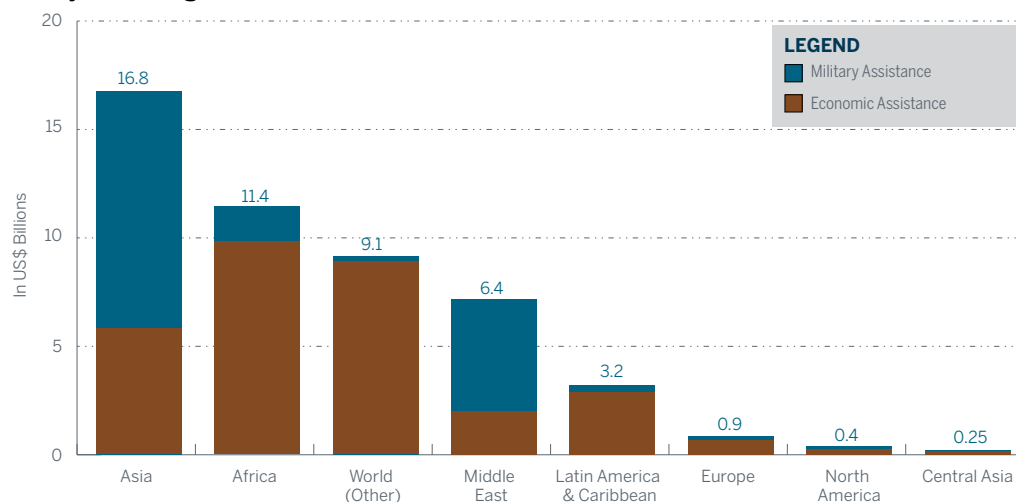


# Asia's Security Significance for the US is Rising

Asia is an area of potential conflict due to territorial disputes, historical animosities and changes in the distribution of power. Asian countries are also emerging (or reemerging) as regional and global powers. They will have a crucial role in meeting such global challenges as equitable economic growth, environmental pollution, pandemic disease, climate change and global governance. The US, with long-standing treaty commitments and new partnerships in Asia, is devoting more attention and resources to Asia. The US is working with regional groupings, including the East Asia Summit (EAS), Asia Pacific Economic Cooperation (APEC) and Association of Southeast Asian Nations (ASEAN) to address regional problems.

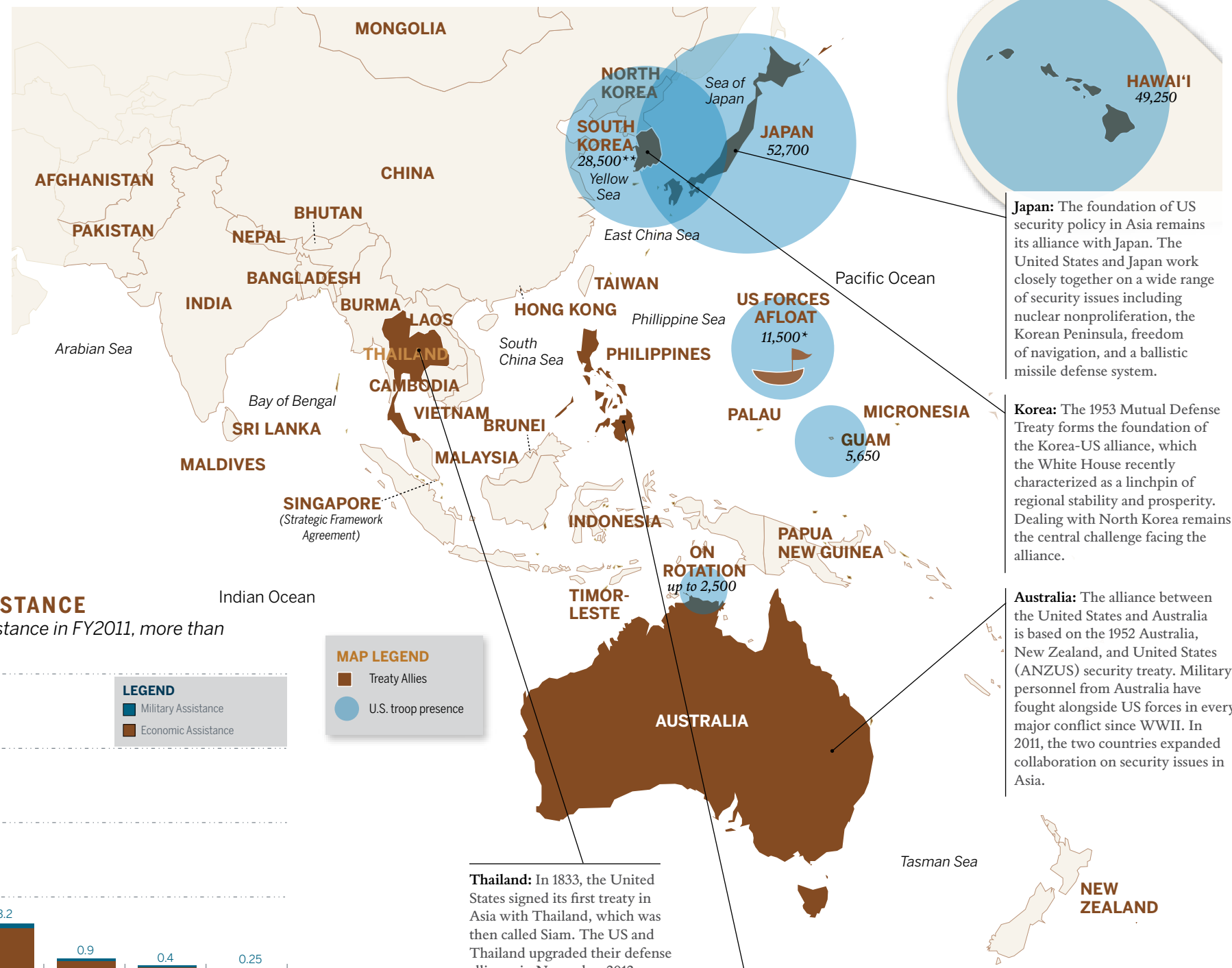
## US ECONOMIC AND MILITARY ASSISTANCE

Asia received US\$16.8 billion in US foreign assistance in FY2011, more than any other region in the world.



Sources: US Department of Defense (as of December 31, 2012; \*March 31, 2012); \*\*IISS, *The Military Balance* 2013; US Agency for International Development (USAID)

## US ALLIANCES AND MILITARY PERSONNEL IN ASIA



**Japan:** The foundation of US security policy in Asia remains its alliance with Japan. The United States and Japan work closely together on a wide range of security issues including nuclear nonproliferation, the Korean Peninsula, freedom of navigation, and a ballistic missile defense system.

**Korea:** The 1953 Mutual Defense Treaty forms the foundation of the Korea-US alliance, which the White House recently characterized as a linchpin of regional stability and prosperity. Dealing with North Korea remains the central challenge facing the alliance.

**Australia:** The alliance between the United States and Australia is based on the 1952 Australia, New Zealand, and United States (ANZUS) security treaty. Military personnel from Australia have fought alongside US forces in every major conflict since WWII. In 2011, the two countries expanded collaboration on security issues in Asia.

**Thailand:** In 1833, the United States signed its first treaty in Asia with Thailand, which was then called Siam. The US and Thailand upgraded their defense alliance in November 2012 with the 21st Century Security Partnership which "supports Thailand's position as a regional leader."

**Philippines:** The Mutual Defense Treaty signed in 1951 forms the basis of the alliance between the United States and the Philippines. The 2011 signing of the Manila Declaration and the inaugural United States-Philippines Ministerial Dialogue in 2012 laid the groundwork for increased cooperation on issues ranging from counterterrorism to maritime security.



## PUBLICATION DESIGN AND ILLUSTRATION

Top Shelf Design  
Washington, DC  
[www.topshelfdesign.net](http://www.topshelfdesign.net)

## THE ASIA MATTERS FOR AMERICA INITIATIVE

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