
Fact Sheet:

Association of Southeast Asian Nations

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BACKGROUND

The six ASEAN countries [Brunei, Indonesia, Malaysia, Philippines, Singapore, and Thailand] have a total population of more than 330 million people. Covering more than 3 million square kilometers (1.2 million square miles), the ASEAN countries straddle strategic sea routes linking the Pacific Ocean with the Middle East, Africa, and Europe.

Rich in natural resources, with a talented and hard-working population and market-oriented development policies, the ASEAN countries grew more rapidly than most developing nations during the 1980s. Their trade with the rest of the world slipped to \$144 billion in 1985 because of slackening world trade and falling commodity prices, but it rebounded quickly and, by 1991, reached \$343 billion. Two-way trade with the US totaled \$50 billion in 1991, making ASEAN America's fifth most important trading partner.

WHAT IS ASEAN?

The Association of Southeast Asian Nations was created in August 1967 with the signing of the Bangkok Declaration by the five original member nations (Brunei Darussalam became the sixth member on January 7, 1984, shortly after its independence). ASEAN's major purposes are to strengthen regional cohesion and self-reliance, emphasizing economic, social, and cultural cooperation.

It evolved slowly because of the member countries' varied historical and colonial heritages and because their economies largely compete against each other. Cooperation increased after the US withdrawal from Vietnam in 1975. The first two ASEAN summit conferences of heads of government, held in 1976 and 1977, initiated much closer collaboration in political as well as economic and social matters. A third ASEAN summit was held in Manila in December 1987 and a fourth in Singapore in January 1992. From now on, summits are to be held every 3 years.

ASEAN has a loosely organized structure of ministerial meetings, committees, and a small secretariat located in Jakarta. Although the six countries have agreed to upgrade the position of ASEAN secretary general, they have not favored the development of a strong, central coordinating body.

ECONOMIC GROWTH

ASEAN countries averaged annual real gross domestic product growth of more than 5 percent during 1978-90, one of the economic success stories among developing countries. The average slipped to 0.6 percent in 1985 but rose to 7 percent in 1990. Future prospects for the ASEAN economies, which are generally among the better managed in the developing world, remain bright.

REGIONAL COOPERATION

ASEAN led efforts in the United Nations to oppose Vietnam's occupation of Cambodia and end the civil war there. The United Nations convened the International Conference on Kampuchea

in July 1981 at ASEAN's request. Indonesian Foreign Minister Ali Alatas served as co-chairman of the Paris International Conference on Cambodia, where he and officials from the other ASEAN countries joined others in negotiating the 1991 peace settlement. Several ASEAN countries have peacekeeping forces in Cambodia under UN command, and the ASEAN countries, as a group, pledged in 1992 to play an active role in international efforts to reconstruct Laos, Vietnam, and Cambodia. With the end of hostilities in Southeast Asia, Vietnam, and Laos have expressed interest in working with ASEAN, which has welcomed accession to the ASEAN Treaty of Amity and Cooperation by all countries in Indochina, Laos, and Vietnam have expressed their intentions to accede to the treaty in 1992.

EXTERNAL RELATIONS

ASEAN has strengthened its ties with the United States and other industrialized countries through periodic economic "dialogues" and the post-ministerial consultations. The ASEAN governments take a constructive, creative approach to important world issues in the United Nations and other forums.

The U.S.-ASEAN relationship is substantial and expanding. Secretary Baker's attendance at the 1992 ASEAN post-ministerial meeting in Manila marked his fourth meeting with ASEAN foreign ministers in Southeast Asia in as many years. (He also has met with them in New York during sessions of the UN General Assembly.) These annual meetings permit a regular and comprehensive review of matters of interest to the United States and to ASEAN countries and underscore the importance of the region to U.S. foreign policy.

BILATERAL ECONOMIC COOPERATION

ASEAN governments support private sector entrepreneurial growth, domestic and foreign investment, and an open world trading system. U.S. business people have found ASEAN countries good places to trade and invest. Several avenues have developed over the last 15 years to foster better cooperation and interchange. The U.S.-ASEAN Council for Business and Technology was established in 1979 to bring together private sector leaders to discuss common interests and the enhancement of trade and investment relations. The Private Investment and Trade Opportunities project is a joint effort by the United States and ASEAN private sectors and governments to expand trade, investment, and technology transfer between the United States and ASEAN.

Frequent official and unofficial U.S.-ASEAN consultations increase understanding of common interests and provide opportunities to consult on a wide range of issues. The U.S.-ASEAN Economic Dialogue began in September 1977 in Manila. Subsequent dialogues have been held at intervals of about 18 months, with the 10th and most recent dialogue in June 1991. An Economic Coordinating Committee (ECC) was established at the Third Economic Dialogue in Manila. It comprises senior officials of the ASEAN embassies in Washington, DC, their counterparts in the U.S. Government, and private sector representatives. The ECC generally meets monthly to review cooperative activities and economic issues. The U.S. Trade Representative and ASEAN ambassadors signed a memorandum of understanding in December 1990 to establish regular, ministerial-level trade consultations and a working group of senior officials to explore mechanisms to enhance trade and investment relations under a program known as the ASEAN-U.S. Initiative.

REGIONAL TRADE AND ECONOMIC COOPERATION

The ASEAN members agreed at their third summit to accelerate efforts to reduce tariffs on intra-ASEAN trade to promote industrial development. ASEAN leaders took an important step

toward this goal in January 1992 when they established the ASEAN Free Trade Area (AFTA). The AFTA is designed to eliminate most tariffs between the member countries over the next 15 years. ASEAN also is trying to foster cooperative industrial investment projects with government or private sector involvement.

REFUGEES

Since 1975, more than 2 million people have left Cambodia, Laos, and Vietnam for "first asylum" (temporary refuge) in neighboring ASEAN countries. More than 1.6 million of those refugees have been resettled elsewhere. Concerned about the continuation of this exodus, the ASEAN countries called for an international conference, which was held in Geneva in June 1989. The conference resulted in the Comprehensive Plan of Action (CPA), which consisted of an interlocking set of policies designed to resolve the problem while preserving first asylum. The CPA has resulted in a significant decrease in the outflow from Vietnam. Further, more than 26,000 Vietnamese from refugee camps in the region have voluntarily repatriated to Vietnam. The CPA Steering Committee has met four times since the agreement was reached. Despite some concerns about the speed with which the problem is being handled, each meeting reaffirmed agreement on the CPA and the practice of first asylum.