



CICP Commentaries

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What We Expect from the Second ASEAN-US Summit?

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ASEAN-US dialogue relations, established back in 1977, have gained new momentum since 2009 when Secretary of State Hillary Clinton asserted to ASEAN leaders that US would return and stay in Southeast Asia by which she referred to see more dynamic engagement and partnership between US and ASEAN. The US signed the Treaty of Amity and Cooperation (TAC) in July 2009 which paved the way for the US to be an official dialogue partner of ASEAN and allowed US to be an official member of East Asian Summit. US also sent an ambassador to ASEAN Secretariat in Jakarta. In November 2009, the first ASEAN-US leaders' meeting was held in Singapore and in this September 24th, 2010 there will be the second meeting in New York. ASEAN prefers to use ASEAN-US Summit than ASEAN-US Leaders Meeting. Many observers are keen to see the results from this second summit. Expectations are high but the real commitment and implementation are still at bay.

Both ASEAN and US wish to listen to each others about issues of common concerns. In her statement in February 2009, Secretary of State Hillary Clinton stated that “the United States must have strong relationships and a strong and productive presence here in Southeast Asia. This region is vital to the future 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.” Relating the US’s involvement in East Asia Summit, ASEAN Secretary General Surin Pitsuwan stated that “The successive and proactive re-engagement of ASEAN by the US has brought about a transformation of seismic

proportions to ASEAN-US relations,"

ASEAN, established in 1967, has been evolving to be the main driver in regionalism in East Asia and the Asia Pacific region. ASEAN, at the beginning stage of its establishment, was expected just to be a regional institution that could prevent war and conflict between each member states and to cope with the spread of communism in the region but now ASEAN has moved far away from this task to play more important roles in promoting economic development, regional identity and community, and regional order. Such huge tasks have challenged ASEAN leaders to a great extent.

ASEAN is proud of its achievement over the last decades since there has been no war or large scale armed conflict between or among the member states. Economic integration has been accelerating although development gap is still a big stumbling bloc. The good thing is ASEAN leaders have shown their commitment to build a true community by 2015 including political, economic, and socio-cultural community.

In order to realize the goal of achieving an ASEAN community with openness and inclusiveness, ASEAN needs the support from all dialogue partners including the United States. ASEAN expects that US can help ASEAN economies in terms of trade and investment, technology transfer, education and capacity building, and help to reduce the development gap in the region. Moreover, ASEAN wishes to see US's presence in the region in order to maintain regional security order and stability.

There is a significant economic link between US and ASEAN and this fact seems not well known among the regional observers. US foreign direct investment into ASEAN totalled \$130 billion in 2007, the largest destination for US FDI in Asia. Investment from ASEAN into the United States ranks fourth among Asian sources, totalling \$11 billion. In terms of trade, the United States is ASEAN's third largest export market, comprising of 12% of its exports. US exports to ASEAN totalled \$66 billion in 2008.

ASEAN wishes to see more investment and trade flow between ASEAN and US. US should continue and further support the poorest countries in ASEAN to export their products to the US market. For instance in the case of Cambodian textile, with the preferential trade treatment from the US, Cambodia becomes one of the leading textile producers in the region and this industry provides a lot of jobs and incomes for the Cambodians especially women from rural area, which significantly contributing to poverty reduction in this country. Such aid for trade scheme should be pursued and further expanded.

The upcoming ASEAN-US leaders meeting is expected to provide more concrete steps towards bilateral relations nourishment between ASEAN and the United States. Economic development and non-traditional security issues such as transnational crime, terrorism, climate change, food and energy security, natural disaster management and pandemic disease should be given priority. It is expected that US-ASEAN cooperation and equal partnership will serve as one of the regional mechanisms to cope with emerging global and regional economic and security issues.