Reproduced from ASEAN & EU: Forging New Linkages and Strategic Alliances edited by Chia Siow Yue and Joseph L.H. Tan (Singapore: Institute of Southeast Asian Studies, 1997). This version was obtained electronically direct from the publisher on condition that copyright is not infringed. No part of this publication may be reproduced without the prior permission of the Institute of Southeast Asian Studies. Individual articles are available at < http://bookshop.iseas.edu.sg >

Index

advantage, comparative, 89	gross domestic product (GDP),
Africa	137
inflation and growth, 82	growth, 138
agriculture	world share, 137
subsidies, 17	highway construction, 147
America, Latin	imports
gross domestic product (GDP)	barriers, 91–98
per capita, growth, 79	world, 87
America, North	inflation and growth, 82
gross domestic product (GDP)	international regulatory system
world share, 137	participation in, 89–90
output	investment, foreign direct (FDI)
world share, 137	inflow, 171
tariffs, 92	markets
trade	barriers, 6
world share, 139	output
America, South	world share, 137
Common Market agreement	population, 86
(Mercosur), 158	regionalization, 170
Asia, 39, 40, 41	trade
arms race, 43	balance, 87
economic growth	world share, 139, 140
sustainability, 137, 138	Asia, East, 86
economic performance, 189–91	capital inflows, 64
-Europe relations, 86	currency weights, 69
European business	economic growth, 36, 59, 61
image problem, 44	conditions, 58
export processing zones, 99	inflation, 58, 61
exports	economic success
world, 86, 87	factors, 99

exchange rate	political dialogue, 46
pegged, 69, 74	basis, 46
regimes, 70	priorities, 46
gross domestic product (GDP)	preparation, 49
per capita, growth, 79	themes, 45
inflation, 74	trade, 47
investment	Uruguay Round commitments, 47
portfolio, 62	WTO, 46, 47
investment, foreign direct (FDI)	participation, 46
manufacturing, 62	Asia-Pacific
liberalization, 61	economic growth, 86
linkages	economies
trade and investment, 69	consumer prices, 70
markets	exchange rates, 70
globalization, 44	growth, 60
mercantilism, 101	inflation, 60
price stability, 77	openness, 60
security arrangements, 43	gross domestic product (GDP), 86
trade	investment, foreign direct (FDI)
global approach, 90	inflow, 143
Asia, South	Asia-Pacific Economic Co-operation
gross domestic product (GDP)	(APEC), 2, 34, 39, 44, 49, 54,
per capita, growth, 79	87, 88, 135, 158, 181, 190
Asia, Southeast	Eminent Persons Group (EPG)
exports, 141	reports, 50
imports, 141	summit
Asia-Europe Forum	Seattle, 36
Venice, 51	tariffs
Asia-Europe Meeting (ASEM), 35,	unilateral reductions, 93, 100
36, 42–49, 50, 51, 53, 88, 135	Asian newly industrializing
areas of interest, 47	economies (NIEs), 161, 164
Asia-Europe Foundation, 47	competitive challenge, 170
Asia-Europe Vision Group, 47	exports
Co-ordinators' Meeting, 47	increase, 139
first, 4, 128	imports
follow-up activities, 48	increase, 139
investment, 47	trade
meetings, 47	with OECD, 182, 183
members, 152	with United States, 183

Association of Southeast Asian	Economic Ministers (AEM), 213
Nations (ASEAN)	Economic Ministers' Meeting
achievements, 1	(AEMM), 1991, 52
advantages	economies
comparative, 118	harmonizing, 215
locational, 118	environmental standards
agricultural sector, 16, 129, 130,	harmonization, 21
226	-European Union (EU) relations
market, 17	alliances, strategic, 6, 7,
in APEC, 34	187–203
-CER linkages, 29	ASEAN-EC Management
challenges, 29	Centre, 27
companies, foreign	Asia-Europe Meeting (ASEM),
biggest sales, 118	48-49
companies, local	began, 127
growth, 24	COGEN Programme, 27
"lead users", 200	colonial ties, 3
networks, 199	constraints, 150–52
competitive challenge, 170	Co-operation Agreement, 11,
customs union, 224	38, 52, 53
decision-making, 220	co-operation projects, 26, 27,
by consensus, 214, 220	28, 149
Declaration of 1967, 208	development aid, 26
development co-operation	Dialogue Partner, 11
policy on, 26–27, 30	economic co-operation, 30-31,
Dialogue Partners, 27	53
economic	economic links, obstacles, 119,
co-operation, 2	122
liberalization, 2, 8	Eminent Persons Group (EPG),
reforms, 2	13, 35, 50–51
structural transformation,	Foreign Ministers Meeting, 12
129–30, 143	formalization, 127
Economic Community, 8, 223-24,	Industrial Co-operation, 30
225	Industrial Standards and
economic growth, 1, 34, 207	Quality Assurance
sustaining, 58–79	Programme (ISQAP), 30
trade-led, 59	integration, 145–50
economic integration, 211–14	Joint Co-operation Agreement,
review. 208–10	127

Joint Co-operation Committee	gross national product (GNP), 3,
(JCC), 11, 27, 127	103
joint projects, 6, 7, 149, 150	per capita, 3, 103
Joint Study Group, 11	growth triangles, 145, 181, 203
meetings, 11-12, 128	GSP benefits, 124, 125, 150
Ministerial Meeting (AEMM),	Heads of Government meeting,
11, 21, 35, 36, 128	128
Multi-Fibre Agreement (MFA),	human resource development,
125	148, 149
New Asia Strategy (NAS),	imports
48-49	from EU, 104, 105, 106, 107,
Partenariat Project, 25	108
Patents and Trademarks	increase, 139
Programme, 30	income
policies towards, 11-31	per capita, 15
political dialogue, 54	Industrial Co-operation (AICO)
rubber product legislation, 18	Scheme, 143
Senior Officials Meeting, 12	industrialization policy
Sub-Committee on Science and	evolution, 125-26
Technology, 27	Industry Co-operation Scheme
trade, 3, 126	(AICS), 98
trade relations, factors affecting,	inflation, 75
122–30	integration, 8, 142, 181
exchange rates	institutionalized, 215, 216,
pegged to, 71	218, 220
exports	learning from Europe, 214-22
base, 119	market, 215, 216, 228
to EU, 13, 104, 105, 106, 107,	new dynamics, 222-28
108, 190	investment
increase, 139	domestic, 149
markets, 15	in EU, 151
financial	intra-ASEAN, 98
liberalization, 130	outflow, 2
markets, 65	investment, foreign direct (FDI),
founding, 1	2, 107, 110–13, 149, 151,
globalization	189
challenge, 178	attracting, 180, 181
gross domestic product (GDP)	from EU, 22, 23, 25, 54, 110,
growth, 137	111, 112

inflow, 143	rail development, 147
from Japan, 110, 111	regional
motives and determinants, 113,	community, 206
118–19	integration, 211, 212
from Northeast Asia, 107, 131	research and development (R&D);
policies, 22–25	146, 149
from United Kingdom, 110, 113	role, 206
from United States, 110, 111	Secretariat, 213, 220
Investment Area (AIA), 23, 143,	secretariats
180, 181	national, 219
Investment Co-operation Scheme	Secretary-General, 219
(AICS), 87	Senior Economic Officials
labour standards	Meeting (SEOM), 230
harmonization, 21	services trade, 141, 142
liberalization, 161	SME
market, 141	entrepreneurship development,
members, 1, 2	30
expansion, 131, 141, 226-28	social issues, 225
Ministers of Agriculture Meeting,	Summit, 213
20	Second, 208
multilateral investment	Third, 211
agreement (MIA)	Fourth, 210, 212, 218, 223,
opposition to, 24	228, 213
national	Fifth, 226, 228, 229, 231
identities, 216	tariffs
sovereignty, 225	breakdown, 15
oil and gas sector, 147	technology, 180
oleochemical sector, 17	indigenous, 148
opening up, 178	telecommunications, 148
openness	timber industry, 18, 19, 20
to trade and investment, 62, 77	trade, 210
organization, 218	with EU, 13, 103, 104-7, 109
structure, 219, 220	intra-ASEAN, 141
policy	intra-industry, 141
co-ordination and co-operation,	with Japan, 13
181	partner, 190
political co-operation, 208	policies, 13–22
population, 3, 15, 103, 118, 138	social clauses, 21
progress, 141	world, 2, 14

unemployment, 226	inflows
-United States relations	exchange rates, 68
Dialogue Meeting, 31	fiscal policy, 68
ASEAN Business Forum, 146	policy options, 66–68
ASEAN Chamber of Commerce and	reserve requirement, 67
Industry, 146	sterilized intervention, 66, 67,
ASEAN Free Trade Area (AFTA), 2,	68
15, 33, 34, 37, 87, 131, 158,	international flows, 62-68
180, 181, 207, 212, 223, 224,	international markets
227	disciplinary role, 80
Common Effective Preferential	functions, 65
Tariff, 142	outflows
creation, 210	controls eased, 80
tariffs, 224, 230	Caribbean
reduction, 93, 142	gross domestic product (GDP)
trade	per capita, growth, 79
creation, 223	central bank
diversion, 230	independence, 75, 76, 77
growth, 90	impact on inflation, 76
ASEAN Preferential Trading	inflation control, 75, 76
Arrangements (ASEAN-PTA),	Charoen Pokphand (CP)
208	alliance with Heineken in China,
ASEAN Regional Forum (ARF), 34,	199
37, 41, 207, 208	China
Austria	economic growth, 34
joining EU	exports
textile imports, 20	manufactured, 164
•	inflation, 61
Blair House Agreement, 17	investment, foreign direct (FDI), 2
Brittan, Sir Leon, 23	inflows, 80
Brunei, 130	market economy, socialist, 136
GSP benefits, 133	opening up, 36, 136
	openness, 77
Canada, 43, 158, 170	reforms, 38
Canada-U.S. Free Trade	rise of, 43
Agreement, 158	tariffs, 93
capital	reduction, 88
to developing countries, 64, 65	WTO membership, 90
flows, 80	Chinese Taipei. See Taiwan

Coloser Economic Relations (CER), 3 Cold War end, 43, 136 colonialism, 135 competition hypercompetitive environment, 188–89 customs procedures, 94–95 deregulation, 157–59 competitive, 161 developed countries measures for controlling rivals, 24 developing countries capital inflows, 185 foreign direct investment (FDI) inflow, 143 domestic stabilization end, 43, 136 colonialism, 135 competitive, 169–70 small and medium industries (SMIs), 146, 148 stagflation, 158 tariffs, 92 trade world share, 139, 140 Europe, Central, 171, 175 Europe, Eastern, 171, 175 command economies breakdown, 136 European Business Information Centres, 98 European Community Investment Partners, 25 ASEAN, 25 East Asian Economic Caucus (EAEC), 158 de facto emergence, 44 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe Europe Sector, 225
end, 43, 136 colonialism, 135 competition hypercompetitive environment, 188–89 customs procedures, 94–95 deregulation, 157–59 competitive, 161 developed countries measures for controlling rivals, 24 developing countries capital inflows, 185 foreign direct investment (FDI) inflow, 143 domestic stabilization exchange rate, 68 exchange rate, 68 (EAEC), 158 de facto emergence, 44 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 European Economic Evaluation investment in, 177 environmental protection, 22 European Union (EU), 3, 23, 24, agriculture sector, 225
colonialism, 135 competition small and medium industries small and medium industries (SMIs), 146, 148 stagflation, 158 customs procedures, 94–95 customs procedures, 94–95 customs procedures, 94–95 competitive, 161 deregulation, 157–59 competitive, 161 developed countries measures for controlling rivals, 24 developing countries capital inflows, 185 foreign direct investment (FDI) inflow, 143 domestic stabilization exchange rate, 68 exchange rate, 68 capital exchange rate, 68 exchange rate, 68 capital exchange rate, 68 capital exchange rate, 68 exchange rate, 68 capital exchange rate, 68 capital inflow, 143 command economics breakdown, 136 European Business Information Centres, 98 European Community Investment Partners, 25 ASEAN, 25 European Economic Area, 34 European Economic Area, 34 European Economic Community de facto emergence, 44 European Economic Community de facto emergence, 44 European Investment Bank (EIB), economic development, 42 education investment in, 177 environmental protection, 22 Europe sector, 225
competition hypercompetitive environment, 188–89 customs procedures, 94–95 deregulation, 157–59 competitive, 161 developed countries measures for controlling rivals, 24 developing countries capital inflows, 185 foreign direct investment (FDI) inflow, 143 domestic stabilization exchange rate, 68 exchange rate, 68 (EAEC), 158 de facto emergence, 44 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe Europe sector, 225 Europe small and medium industries (SMIs), 146, 148 stagflation, 158 tariffs, 92 tariffs, 92 taride extagflation, 158 tariffs, 92 tariffs, 92 tariffs, 92 taride extagflation, 158 tariffs, 92 tariffs, 92 tariffs, 92 taride extagflation, 158 tariffs, 92 taride extagillation, 158 tariffs, 92 tariffs, 92 taride extagillation, 158 tariffs, 92 taride extagillation, 16 Europea Business Information Centres, 98 European Community Investment Partners, 25 Asian projects, 25 Last Asian Economic Caucus (EEC), 13 European Economic Caucus (EEC), 13 European Union (EU), 3,
hypercompetitive environment, 188–89 customs procedures, 94–95 competitive, 161 developed countries measures for controlling rivals, 24 developing countries capital inflows, 185 foreign direct investment (FDI) inflow, 143 domestic stabilization exchange rate, 68 (EAEC), 158 de facto emergence, 44 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe tariffs, 92 trade world share, 139, 140 Europe, Central, 171, 175 Europe, Eastern, 171, 175 command economies breakdown, 136 European Business Information Centres, 98 European Community Investment Partners, 25 Asian projects, 25 ASEAN, 25 European Economic Area, 34 European Economic Community (EEC), 13 European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, agriculture sector, 225
tariffs, 92 trade deregulation, 157–59 competitive, 161 developed countries measures for controlling rivals, 24 developing countries capital inflows, 185 foreign direct investment (FDI) inflow, 143 domestic stabilization exchange rate, 68 (EAEC), 158 de facto emergence, 44 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe sworld share, 139, 140 Europe, Central, 171, 175 command economies breakdown, 136 European Business Information Centres, 98 European Community Investment Partners, 25 Asian projects, 25 Asian projects, 25 Asian projects, 25 European Economic Area, 34 European Economic Community (EEC), 13 European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, agriculture sector, 225
customs procedures, 94–95 deregulation, 157–59 competitive, 161 developed countries measures for controlling rivals, 24 developing countries capital inflows, 185 foreign direct investment (FDI) inflow, 143 domestic stabilization exchange rate, 68 (EAEC), 158 (EAEC), 158 de facto emergence, 44 feact Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe
deregulation, 157–59 competitive, 161 developed countries measures for controlling rivals, 24 developing countries capital inflows, 185 foreign direct investment (FDI) inflow, 143 domestic stabilization exchange rate, 68 exchange rate, 68 (EAEC), 158 (EAEC), 158 de facto emergence, 44 (EAEC), 158 economic development, 42 education investment in, 177 environmental protection, 22 Europe, Central, 171, 175 Europe, Eastern, 171, 175 Europe, Eastern, 171, 175 Europe, Eastern, 171, 175 Europea, Business Information Centres, 98 European Community Investment Partners, 25 Asian projects, 25 ASEAN, 25 European Economic Area, 34 European Economic Community (EEC), 13 European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, investment in, 177 agriculture sector, 225
deregulation, 157–59 competitive, 161 developed countries measures for controlling rivals, 24 developing countries capital inflows, 185 foreign direct investment (FDI) inflow, 143 domestic stabilization exchange rate, 68 exchange rate, 68 (EAEC), 158 (EAEC), 158 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 world share, 139, 140 Europe, Central, 171, 175 Europe, Eastern, 171, 175 command economies breakdown, 136 European Business Information Centres, 98 European Community Investment Partners, 25 Asian projects, 25 ASEAN, 25 European Economic Area, 34 European Economic Community (EEC), 13 European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, 136, 137, 141 agriculture sector, 225
competitive, 161 developed countries measures for controlling rivals, 24 developing countries capital inflows, 185 foreign direct investment (FDI) inflow, 143 domestic stabilization exchange rate, 68 East Asian Economic Caucus (EAEC), 158 de facto emergence, 44 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe, Central, 171, 175 Europe, Eastern, 171, 175 Europe, Eastern, 171, 175 European Business Information Centres, 98 European Community Investment Partners, 25 Asian projects, 25 ASEAN, 25 European Economic Area, 34 European Economic Community (EEC), 13 European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, 136, 137, 141 agriculture sector, 225
developed countries measures for controlling rivals, 24 developing countries capital inflows, 185 inflow, 143 domestic stabilization exchange rate, 68 (EAEC), 158 (EAEC), 158 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe, Eastern, 171, 175 command economies breakdown, 136 European Business Information Centres, 98 European Community Investment Partners, 25 Asian projects, 25 ASEAN, 25 European Economic Area, 34 European Economic Community (EEC), 13 European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, agriculture sector, 225
measures for controlling rivals, 24 developing countries capital inflows, 185 foreign direct investment (FDI) inflow, 143 domestic stabilization exchange rate, 68 European Community Investment Partners, 25 Asian projects, 25 ASEAN, 25 East Asian Economic Caucus (EAEC), 158 European Economic Area, 34 (EAEC), 158 European Economic Community de facto emergence, 44 (EEC), 13 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe Europe sector, 225
developing countries capital inflows, 185 European Business Information foreign direct investment (FDI) inflow, 143 European Community Investment domestic stabilization exchange rate, 68 European Community Investment Partners, 25 Asian projects, 25 ASEAN, 25 East Asian Economic Caucus (EAEC), 158 European Economic Area, 34 (EAEC), 158 European Economic Community de facto emergence, 44 (EEC), 13 East Asiatic Company, 148 European Investment Bank (EIB), economic development, 42 education European Union (EU), 3, 23, 24, investment in, 177 136, 137, 141 environmental protection, 22 Europe Europe Sector, 225
capital inflows, 185 foreign direct investment (FDI) inflow, 143 domestic stabilization exchange rate, 68 European Community Investment Partners, 25 Asian projects, 25 ASEAN, 25 East Asian Economic Caucus (EAEC), 158 European Economic Area, 34 European Economic Community de facto emergence, 44 European Economic Community de facto emergence, 44 European Investment Bank (EIB), economic development, 42 education investment in, 177 environmental protection, 22 Europe Europe Europe European Business Information Centres, 98 European Community Investment Partners, 25 ASEAN, 25 European Economic Area, 34 European Economic Community (EEC), 13 European Investment Bank (EIB), apriculture sector, 225
foreign direct investment (FDI) inflow, 143 domestic stabilization exchange rate, 68 East Asian Economic Caucus (EAEC), 158 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 European Community Investment Partners, 25 Asian projects, 25 ASEAN, 25 European Economic Area, 34 European Economic Community (EEC), 13 European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, 136, 137, 141 engriculture sector, 225
inflow, 143 domestic stabilization exchange rate, 68 East Asian Economic Caucus (EAEC), 158 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 European Community Investment Partners, 25 Asian projects, 25 ASEAN, 25 European Economic Area, 34 European Economic Community (EEC), 13 European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, agriculture sector, 225
domestic stabilization exchange rate, 68 Asian projects, 25 ASEAN, 25 East Asian Economic Caucus (EAEC), 158 European Economic Community de facto emergence, 44 East Asiatic Company, 148 Economic development, 42 education investment in, 177 environmental protection, 22 Europe Partners, 25 Asian projects, 25 European Economic Area, 34 (EEC), 13 European Economic Community (EEC), 13 European Investment Bank (EIB), economic development, 42 25 European Union (EU), 3, 23, 24, agriculture sector, 225
exchange rate, 68 Asian projects, 25 ASEAN, 25 East Asian Economic Caucus (EAEC), 158 European Economic Community de facto emergence, 44 (EEC), 13 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe Asian projects, 25 ASEAN, 25 European Economic Area, 34 (EEC), 13 European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, agriculture sector, 225
East Asian Economic Caucus (EAEC), 158 European Economic Community de facto emergence, 44 (EEC), 13 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe ASEAN, 25 European Economic Area, 34 (EEC), 13 European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, agriculture sector, 225
East Asian Economic Caucus (EAEC), 158 European Economic Community de facto emergence, 44 (EEC), 13 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe Europe European Economic Area, 34 European Economic Community European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, agriculture sector, 225
(EAEC), 158 de facto emergence, 44 East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe European Economic Community (EEC), 13 European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, 136, 137, 141 agriculture sector, 225
de facto emergence, 44 East Asiatic Company, 148 Economic development, 42 education investment in, 177 environmental protection, 22 Europe (EEC), 13 European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, 136, 137, 141 agriculture sector, 225
East Asiatic Company, 148 economic development, 42 education investment in, 177 environmental protection, 22 Europe Europe European Investment Bank (EIB), 25 European Union (EU), 3, 23, 24, 136, 137, 141 agriculture sector, 225
economic development, 42 education investment in, 177 environmental protection, 22 Europe 25 European Union (EU), 3, 23, 24, 136, 137, 141 agriculture sector, 225
education European Union (EU), 3, 23, 24, investment in, 177 136, 137, 141 environmental protection, 22 Europe sector, 225
investment in, 177 136, 137, 141 environmental protection, 22 Europe sector, 225
environmental protection, 22 agriculture Europe sector, 225
Europe sector, 225
1 1 1 47
-Asia relations, 86 subsidies, 17
"Eurosclerosis", 158 anti-dumping procedures, 16,
exchange rates, 69 150
globalization APEC
imperative, 175–78 observer status, 37
gross domestic product (GDP) -ASEAN relations
world share, 137 alliances, strategic, 6, 7,
integration, 178 187–203
labour-market problems ASEAN-EC Management
structural, 165 Centre, 27

Asia-Europe Meeting (ASEM),	Partenariat Project, 25
48–49	Patents and Trademarks
began, 127	Programme, 30
COGEN Programme, 27	policy, 33–56
colonial ties, 3	political dialogue, 54
Commission's paper, 51-55, 56	Senior Officials Meeting, 12
constraints, 150-52	Sub-Committee on Science and
Co-operation Agreement, 11,	Technology, 27
38, 52, 53	trade, 3, 126
co-operation projects, 26, 27,	trade relations, factors
28, 149	affecting, 122–30
development aid, 26	-Asia dialogue
Dialogue Partner, 11	problems, 41–42
economic co-operation, 30-31,	Asia-Invest Programme, 98
53	bonds, 35
economic links, obstacles, 119,	Common Agricultural Policy, 7,
122	150
Eminent Persons Group (EPG),	Common External Tariff (CET),
13, 35, 50–51	17
Foreign Ministers Meeting, 12	currency
formalization, 127	single, 35
Industrial Co-operation, 30	customs union, 224
Industrial Standards and	decision-making
Quality Assurance	qualified majority, 220
Programme (ISQAP), 30	decline, 43
integration, 145–50	environmental standards
Joint Co-operation Agreement,	harmonization, 21
127	European Commission, 16, 230
Joint Co-operation Committee	European Parliament, 19
(JCC), 11, 27, 127	exports, 192
joint projects, 6, 7, 149, 150	to ASEAN, 103, 107
Joint Study Group, 11	financial services
knowledge, 50	liberalization agreement, 46
meetings, 11-12, 128	firms
Ministerial Meeting (AEMM),	administrative heritage, 193,
11, 21, 35, 36, 128	197
Multi-Fibre Agreement (MFA),	catching up in ASEAN, 195–96
125	inertia in Asia, 191–94
New Asia Strategy (NAS), 48–49	food hygiene, 150

foreign policy, 38, 42, 54	multilateral investment
"megaphone diplomacy", 55	agreement (MIA), 23
Generalized System of	New Asia Strategy (NAS), 5, 35,
Preferences (GSP), 20, 21,	36–42, 43, 48–49, 51, 55, 195
30, 123, 124	objectives, 3
agricultural products, 20	oilseed production, 17
new scheme, 124, 125, 150	oleochemicals, 17
supplementary objectives, 21	environmental hazard, 17
governance, 217	organization, 218
gross domestic product (GDP), 137	population, 3, 103, 138
gross national product (GNP), 103	Single European Market, 16,
per capita, 3, 103	131, 158, 169, 170, 193
health and safety legislation	social issues, 225
rubber products, 18	tariffs, 93
hegemon, 43	trade
image	with ASEAN, 13, 104-7, 109
problem in Asia, 39	balance, 87
imports	barriers on tropical timber, 18,
from ASEAN, 103, 107	19, 20
institutionalization, 217, 218	growth, 191
institutions	intra-EU, 141
inter-relationship, 221	policies, 15, 20, 38, 91
integration, 8, 89, 207, 214-22	privileges, 123, 124
"deep" policy, 169	protection, 7, 16, 123, 175
intellectual property rights	restrictions, 30
agreement (TRIPs), 30	Treaty of Rome, 3
Internal Market, 88	unemployment
investment, foreign direct (FDI), 3	structural, 154
in ASEAN, 22, 23, 25	-United States relations
in Asia, 190	1990 Agreement, 39
outflow, 22, 171	Agreement on Agriculture, 17
source, 184	Transatlantic Dialogue, 87
labour standards	Transatlantic Partnership, 39
harmonization, 21	Uruguay Round agreement
Maastricht Treaty, 19, 35, 158,	signing, 35
207	voluntary export restraints
membership, 152	(VERs), 38
expansion, 20, 34, 131, 207,	WTO agreements
227	non-trade issues, 151

exchange rate	Germany
Bretton Woods system, 160	deutsche mark, 69
control, 160	· legislation
movements, 71	rubber products, 18
depreciation, 71	presence in ASEAN, 122
pegged, 69	reunification, 136
policy, 69–74	globalization, 156-66, 188
stabilization, 160	collapse, 157, 182
volatility, 70, 71, 160	definition, 156
voice	features, 157–62
farm subsidies	deregulation, 157–59
cut, 140	financial globalization, 159-61
firms	flexible production, 162–66
alliances, 196–200	new technologies, 159
information sharing, 196–97	opening of countries, 161–62
trust. 197	relationship with regionalization,
strategic imperatives, 198–99	168–69
See also organizations	waves, 156, 157
fiscal expansion	Goh Chok Tong
pure, 132	ASEM initiative, 35, 42
food prices, 140	government procurement, 97
foreign exchange transactions	Greater Mekong Subregion (GMS),
global, 160	7. 145
France	gross domestic product (GDP)
presence in ASEAN, 122	growth rates, 138
probeined in ribbin, 122	8
General Agreement on Tariffs and	Hong Kong, 161
Trade (GATT), 38, 45, 125	exchange-rate regime, 71
Agreement, 98	human rights, 42
Article XI	
import quotas, 94	India
intellectual property rights	liberalization, 36, 38
agreement (TRIPs), 96	tariffs, 92
Uruguay Round, 15, 38, 87, 88,	Indian Ocean Rim Initiative (IORI), 3
89, 125, 136, 141, 166	Indochina, 227, 228
agreement on agriculture, 16	Indonesia, 2, 3
import surcharges, 93, 94	automobiles
Generalized System of Preferences	duties, 93
(GSP), 124, 133	surcharges, 93

banking	Japan, 3
reserve requirement, 67, 81	investment, foreign direct (FDI)
currency depreciation, 71	in ASEAN, 131, 132
debt, external, 71	outflow, 171, 190
development aid, 26	source, 184
East Timor issue, 52	production
exchange rates, 71, 73	relocation, 163, 164
financial liberalization, 127	railway privatization, 45
gross domestic product (GDP)	tariffs, 93
per capita, growth, 189	trade
inflation, 61	structural surpluses, 100
investment, foreign direct (FDI)	
from EU, 23	Korea, North, 43
sources, 110, 111	Korea, South
macroeconomic indicators, 72	investment overseas, 132
tariffs, 92	liberalization, 161
inflation, 58, 82	tariffs, 93
central bank independence, 75,	
76	labour standards, 22
and long-run growth, 74–75, 81,	law, rule of, 91–92
82	liberalization, 162
and openness, 75-77, 82	unilateral
intellectual property rights, 96	on MFN basis, 29
interest rates, 160	Lippo Group
International Tropical Timber	strategic intent, 199
Organization (ITTO)	Lome Convention, 13, 123
Sustainability Target Year 2000,	
19	macroeconomic
Sustainable Forest Management,	framework
19	stable, 79
investment, 99–100	policy, 122–23
in "export platforms", 155	Malaysia, 130, 158
foreign direct, 64, 97, 98,	Bank Negara
142–44	sterilized intervention, 66, 67
return to capital, 119	capital flows, 66
sources, 143	car, national, 199
and trade, 62, 144-45	colony, 3
portfolio equity, 64	current account deficit, 80

exchange rates, 67, 73	Multilateral Agreement on
financial system, 127	Investment, 184
fiscal restraint, 67	multinationals
gross domestic product (GDP)	intraregional interest, 166, 167
per capita, growth, 189	investment
GSP benefits, 133	in developing countries, 155
inflation, 61	
investment	Netherlands
portfolio, 81	presence in ASEAN, 122
investment, foreign direct (FDI)	North American Free Trade Area
from EU, 113, 115	(NAFTA), 3, 158, 170, 181
outflow, 144	North Korea. See Korea, North
sources, 110, 111	Novo Nordisk, 148
in Vietnam, 144	
macroeconomic indicators, 72	openness
speculation	and inflation, 75-77, 82
counteracting, 67	operating costs
tariffs, 93	labour costs
telecommunications, 148	low-skilled, 155
market access	Organization for Economic Co-
barriers to, 91–98	operation and Development
customs procedures, 94–95	(OECD), 45
government procurement, 97	corporate profits, 164
import quotas and licences, 94	costs, 164
intellectual property rights, 96	deregulation, 157
investment, foreign direct, 97	gross domestic product (GDP)
law, rule of, 91–92	per capita, growth, 79
services, 97	imports
tariffs and taxes, 92, 93	manufactured, 182, 183
technical barriers, 95–96	inflation and growth, 82
trading rights, 92	integration, 179, 182
market system, 88	Investment Code, 46
Matsushita	labour-market problems
global approach, 194	structural, 165
in Malaysia, 190	manufacturing
Mekong Growth Triangle, 203	productivity growth, 164
Mexico, 158, 170	markets, 164
currency crisis, 59, 64, 66, 185	membership
Multi-Fibre Agreement, 125	Asian, 90

Multilateral Agreement on	Portugal
Investments (MAI), 87	East Timor issue, 52
organizations	price stability, 75, 76
flexible, 165, 166	production
protectionist, 179, 185	borderless, 159
trade	flexible, 162–66, 173, 174, 179
with NIEs, 182, 183	international, 154, 155
transnational corporations	regionalization
(TNCs), 139, 142	reason, 155
organizations	relocation, 155, 163, 164
administrative heritage, 193	productivity, 159
flexible, 165, 166, 172, 173,	growth
174, 175, 177, 184	slowing, 163
See also firms	protectionism, 136
output	
world, 137–39	quotas, import, 94
changing pattern, 137	-
	regional integration, 167, 168, 169,
Pacific century, 187	211, 212
Philippines	definition, 211
currency depreciation, 71	regional trading arrangements
debt, external, 71	(RTA), 136, 140
development aid, 26	regionalism, 89
economic growth, 79	regionalization, 166–68
exchange rates, 71, 73	advantages, 167
financial reforms, 127	in Americas, 170
fiscal policy	in Asia, 170
tightened, 68	definition, 156
industrialization, 125	in Europe, 169–70
inflation, 61, 79	relationship with globalization,
investment, foreign direct (FDI)	168-69
from EU, 113, 116	Royal Dutch Shell, 118
sources, 110, 111	assets, 118
macroeconomic indicators, 72	sales, 118
tariffs, 92	•
Philips	Salim Group, 201
multidomestic approach, 194	services, 97
Port of Singapore Authority (PSA),	Singapore, 130, 161
200	colony, 3
	-

•	
customs procedures, 95	Spain
environment, 196	presence in ASEAN, 122
exchange rate, 71	stagflation, 156
financial system, 127	
gross domestic product (GDP)	Taiwan
per capita, growth, 189	inflation, 61
GSP benefits, 133	investment overseas, 132
income	liberalization, 161
per capita, 1	tariffs, 92, 93
industrialization	world-wide, 140
export-oriented, 126	taxation, 160, 161
foreign direct investments,	Taylorism, 162-66, 172, 176
126	rigidities, 163, 165, 183, 184
import-substitution, 126	Thailand
inflation, 61, 71, 77	current account deficit, 80
investment, foreign direct (FDI)	exchange rates, 73
in ASEAN, 110	financial liberalization, 127
capital intensity, 114	gross domestic product (GDP)
from EU, 113	per capita, growth, 189
outflow, 2, 144	GSP benefits, 133
sources, 110, 111, 113	inflation, 61
in Vietnam, 144	investment, foreign direct (FDI)
returns on equity, 119	from EU, 22, 113, 117
by country, 120	sources, 110, 111
foreign, 119	macroeconomic indicators, 72
by industry, 121	tariffs, 92
local, 119	Third World
telecommunications, 148	debt crisis, 157
Singapore Airlines, 200	timber
Singapore Telecoms, 201	industry, 19
social capital, 196	tropical
Sony	campaign against, 18
cross-border transactions, 144	trade
South Africa	and foreign direct investment
abolition of apartheid, 136	(FDI), 62, 144–45
South Korea. See Korea, South	free, 22, 99–100
Southeast Asia Nuclear Weapons	liberalization
Free Zone Treaty, 231	global, 87–89

protection, 99	investment, foreign direct (FDI)
infant industry, 99	in Asia, 190
world, 139	inflow, 143
expansion, 140	outflow, 171
and WTO, 139–42	source, 184
transnational corporations (TNCs),	labour-market problems
139, 142, 143	structural, 165
Turkey	multinationals
currency crisis, 59, 66	in EU, 193
•	production
United Kingdom	relocation, 163
deregulation, 157	recession, 157
presence in ASEAN, 122	regional integration, 158
railway privatization, 45	security arrangements, 41
United Nations	"hub-and-spoke", 43
Peacekeeping Operations	stagflation, 157
Asia's participation, 41	stock market, 64
Vienna Human Rights	superpower, 43, 44
conference, 36, 38	tariffs, 93
United States, 3, 40, 43, 44, 170	trade
in APEC, 39, 190	with NIEs, 164, 183
-Asia relations, 41	trade negotiations
-China relations, 41	multilateral, 158
decline, 43, 44	Uruguay Round. See General
deregulation, 157	Agreement on Tariffs and
dollar, 69	Trade (GATT)
"Enterprise for the Americas",	USSR
158	command economy
-EU relations	breakdown, 136
1990 Agreement, 39	
Agreement on Agriculture, 17	Vietnam
Transatlantic Dialogue, 87	colony, 3
Transatlantic Partnership, 39	current account deficit, 80
food production, 140	inflation, 61
"Free Trade Agreement for the	technical assistance, 26
Americas", 158	
inflation, 157	World Bank
interest rates, 64	economic globalization, 61

World Customs Organization
(WCO), 95
Kyoto Convention, 95
World Trade Organization (WTO),
15, 24, 39, 87, 90, 94, 96, 97,
98, 125, 136, 181
Code of Public Procurement, 97
customs procedures, 95
dispute settlement, 88
financial services agreement, 46

membership, 90, 92
ministerial meeting, 94
multilateral investment
agreement (MIA), 23, 24, 25
multilateral trading system, 29
regulations, 92
regulatory framework, 90
and trade, 139–42
World War II, 157

The Editors Professor Chia Siow Yue is Director of the Institute of Southeast Asian Studies, Singapore, and was previously Associate Professor of Economics at the National University of Singapore. Dr Joseph L. H. Tan is Senior Fellow and Co-ordinator of the ASEAN Economic Research Unit, Institute of Southeast Asian Studies, Singapore.