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ASEAN-U.S. ECONOMIC RELATIONS

The **ASEAN Economic Research Unit (AERU)** is an integral part of the Institute, coming under the overall supervision of the Director who is also the Chairman of its Management Committee. The Unit was formed in 1979 in response to the need to deepen understanding of economic change and political developments in ASEAN. The day-to-day operations of the Unit are the responsibility of the Co-ordinator. A Regional Advisory Committee, consisting of a senior economist from each of the ASEAN countries, guides the work of the Unit.

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ASEAN-U.S. ECONOMIC RELATIONS

Private Enterprise as a Means for Economic Development and Co-operation

Edited by

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Foreword

The ASEAN Economic Research Unit (AERU) of the Institute of Southeast Asian Studies (ISEAS) was formed in 1979 to promote research, critical thinking, and debate on the economics and related political issues of the Association of Southeast Asian Nations (ASEAN). Priority areas identified for research and discussion include investment, industry, and trade; finance and monetary aspects; food, energy, and commodities; transportation/shipping; and political factors in ASEAN economic co-operation. Within these, work relating to ASEAN economic relations with its main trading partners and sources of investment has been most prominent, including the project on “ASEAN-U.S. Economic Relations”.

This project has been designed as a three-year undertaking, each year focusing on a distinct but related aspect of the economic links between ASEAN and the United States. The theme for the first year was “The Current State of ASEAN-U.S. Economic Relations”. For this, eight papers were commissioned and presented at a workshop on 22–24 April 1985 in Singapore. They covered patterns of trade between ASEAN and the United States; U.S. investment in ASEAN; transfer of technology by U.S. transnational corporations and contractual arrangements; ASEAN manufactured exports to the United States; U.S. exports of goods and services to ASEAN; and the impact of U.S. policy mix on the ASEAN economies. Summaries of these papers were published as a monograph, *ASEAN-U.S. Economic Relations: An Overview*, edited by Agustin Kintanar, Jr. and Tan Loong-Hoe. The revised papers themselves were subsequently published in full in the November 1986, March 1987, and November 1987 issues of the *ASEAN Economic Bulletin*, one of the Institute’s journal.

The research during the second year of the project focused on “Changes in ASEAN-U.S. Economic Environment: Constraints and Opportunities”. Eight papers again were prepared which examined the following topics: economic trends in the United States and their implications for ASEAN; increasing protectionism and its implications for ASEAN-U.S. trade and investment in services; U.S.-Thai relations; selected case-studies in agribusiness; and the role of U.S. official development assistance in ASEAN. These papers were discussed at a workshop in San Francisco jointly organized by the Institute and the Asia Foundation’s Center for Asian Pacific Affairs (CAPA). The Asia Foundation established the Center in its San Francisco

headquarters in 1985 with the goal of promoting communication and strengthening relations between the United States and nations of Asia and the Pacific. The papers were revised and published as *ASEAN-U.S. Economic Relations: Changes in the Economic Environment and Opportunities* in 1988.

The third year of the project carries the theme “Private Enterprise as a Means of Development and Co-operation”. Nine papers were prepared and presented at a symposium held on 6–8 July 1989 in Singapore. These papers cover a range of topics including private enterprise in development; new needs and policy framework for private investment in ASEAN (and the United States); private investment in public utilities; experience in privatization; promotion of private investment — technical assistance; promotion of private investment — institutional and legal infrastructures; venture capital and investment promotion; international franchising; and backward and forward linkages of direct foreign investment.

The Institute of CAPA received assistance from several institutions during the workshop and the preparation of this volume. Both the Institute and CAPA would like to acknowledge their appreciation of such help. They are grateful to the Asia Foundation for its financial support for the project as a whole, as well as to the researchers and editors for their contributions and co-operation in expediting the publication process. Responsibility for the accuracy of statements rests exclusively with the editors and the individual authors.

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Joseph L.H. Tan is a Senior Fellow at the Institute of Southeast Asian Studies. He is also Co-ordinator of the Institute's ASEAN Economic Research Unit, and has been editor-in-charge of the *ASEAN Economic Bulletin* since mid-1985. His recent publications include *Trade, Protectionism, and Industrial Adjustment in Consumer Electronics Industry: Asian Responses to North America* (contributor and co-editor with

Chia Siow Yue, 1989), *Trade, Protectionism, and Industrial Adjustment in Vegetable Oils: Asian Responses to North America* (co-editor with Shankar Sharma, 1989), and *Myanmar Dilemmas and Options: The Challenge of Economic Transition in the 1990s* (co-editor and contributor with Mya Than, 1990).

Toh Kin Woon is an Associate Professor in the Faculty of Economics, Universiti Kebangsaan Malaysia. He has researched and written on the role of the state in development, causes of poverty and its eradication, and the impact of Japan's industrial restructuring on investments in ASEAN. He has also acted as consultant to the state government of Sarawak, local bodies, and some international institutions. He is currently involved in a research project of the World Institute of Development Economics Research (WIDER), United Nations University, on "Trade and Industrialization Reconsidered".