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PREFACE

The Institute of Southeast Asian Studies (ISEAS) established the ASEAN Economic Research Unit in 1979 with a core grant from the Ford Foundation, which has since been augmented by donations from the Konrad Adenauer Foundation of the Federal Republic of Germany, the New Zealand Government, the United States Agency for International Development (USAID), the International Development Research Center (IDRC), and the Asia Foundation. The Unit was set up in response to the need to develop at the Institute a capacity for planned incremental research on ASEAN economics. It has progressed steadily and now has some twenty-five projects under way or at various stages of completion, with several more in the pipeline. Together, these projects encompass all the priority areas for research recommended by the group of experts invited to the inauguration of the Unit in 1979: Investment, Industry, and Trade; Finance and Monetary Aspects; Food, Energy, and Commodities; Transportation/Shipping; and Political Factors in ASEAN Economic Co-operation.

The largest number of AERU projects come under the broad heading of "Investment, Industry, and Trade". Those relating to ASEAN's economic relations with its main trading partners are the most prominent and include the following: ASEAN-

EEC Economic Relations; ASEAN-Korea Relations; ASEAN-Japan Relations; ASEAN-New Zealand Economic Relations; and ASEAN-South Asia Economic Relations. Other studies that could join this cluster in the coming years could be those involving ASEAN and Canada, ASEAN and China, and ASEAN and the Middle East. Funding has recently been secured for the examination of ASEAN-U.S. Economic Relations, and work is already in progress.

Problems of protectionism, specifically non-tariff barriers to expanding both intra-ASEAN and international trade, are also of considerable concern to AERU, and two studies relating to these issues are nearing completion. One focuses on ASEAN and the other on Japan: Non-Tariff Barriers to Expanding Intra-ASEAN Trade, and Non-Tariff Barriers to Expanding ASEAN-Japan Trade.

The growing interest in industrialization and investment is reflected in the development of three projects; the first on the possible contributions of resource-based industrialization to the economic development of the member countries of ASEAN; the second on the various options open towards the improvement of small and medium-scale businesses; and the third, the effects of foreign direct investment on the labour market.

Finance and monetary aspects is another

expanding field in AERU's activities, there being no less than six separate but linked projects completed over the past year or still in progress: International Banking and its Regulation; International Banking in ASEAN; Foreign Banking Activities in Singapore; ASEAN Foreign Exchange Markets; Foreign Exchange Aspects of ASEAN Capital Markets; The Jakarta Dollar Market; and Stabilization Policies in the ASEAN Countries.

Shipping, too, is a significant area of interest in the Unit, with three studies currently under way — Indonesian Shipping Policies, ASEAN Fleet Expansion, and ASEAN and Shipping Conferences — and a fourth, The Seafarer in Southeast Asia, to be launched shortly in co-operation with the Southeast Asian Project on Ocean Law, Policy, and Management (SEAPOL) of Chulalongkorn University and the Ocean Studies Programme of Dalhousie University, Canada.

The debate on food supply and food security continues unresolved, and several possible studies on some of the issues involved are being discussed at the Unit. In the meantime the project on Food Security and Food Self-Sufficiency in ASEAN is about to be completed.

Energy and energy-related issues represent a frontier for research in the region, and the Unit is breaking new ground with projects on: The Structure of Energy Demand in ASEAN Countries; Renewable Energy Resources in ASEAN; and the Implications of China's Offshore Energy Exploration for ASEAN Development. There is also the possibility that a fourth project on energy may be developed soon, this time in co-operation with the East-West Center of Hawaii.

The Unit's, and perhaps the region's, largest project relating to commodities is that entitled "ASEAN's Non-Renewable Resources". This project comprises a number of studies on the nature and exploitation of the main non-renewable resources of the region, and on their deple-

tion. It is envisaged that there will be an overall comparative report on the mineral resources of ASEAN and the potential for regional co-operation in the management of minerals as exhaustible resources.

Involving political scientists drawn from the ASEAN countries, the project entitled "Political Factors in ASEAN Economic Co-operation" consists of twelve separate but related studies that will attempt to elucidate the political ecology of the participating states (background variables) the actual institutional framework and bureaucratic structure set up at the regional level (institutional variables), and the actors directly involved in the regional organization, including their perceptions, attitudes, and socialization processes (process variables).

In keeping with Institute ethos, research quite naturally leads to publications, and manuscripts of publishable quality have begun to flow quite steadily from the ASEAN Economic Research Unit. In fact, it is felt that this supply has now reached the stage where it could be more effectively channelled into a regular avenue of publication — that is, one that would better ensure a wider circulation of the research amongst the scholarly fraternity as well as the public and private sectors. At the same time the proposed avenue could also serve the requirements of scholars outside the Institute who are seeking a vehicle for the circulation of their own research and discussions on ASEAN economics; it could serve as an outlet based in the region, and devoted not to the economics of individual ASEAN countries or to Southeast Asia as a whole, but primarily to ASEAN economics and ASEAN-related issues; in short, a regular publication that would be both appropriately focused and compelling.

Accordingly, the Advisory Committee of the Unit agreed to the launching of a journal, to be known as the *ASEAN Economic Bulletin*, with the inaugural issue appearing in July 1984, followed by regular issues every November, March, and July.

To ensure proper production and control of the quality of materials to be included in it, the *Bulletin* has a representative Regional Advisory Board and an Editorial Committee, comprising senior economists drawn from ASEAN member countries, as well as a group of International Corresponding Members, selected from among well-known and established economists of the areas and countries comprising ASEAN's main trading partners, such as Australasia, Canada, Europe, Japan, the Middle-East, and the United States. The Institute takes great pleasure in welcoming all of them to the *Bulletin*, and looks forward to their assistance and advice.

While the overheads and other associated costs of publishing the *Bulletin* will be borne

by the Institute itself, it is pleased to acknowledge with thanks the support of the Asia Foundation, which has agreed to provide a grant to cover the printing and related costs of the initial three issues. This will help to ensure that the *Bulletin* is off to a good start. Having said this, however, we are fully conscious of all the problems and failings of new journals aspiring to establish themselves and fulfil obvious requirements. All the same we feel confident that the *Bulletin* is both timely and needed, and we present it as such.

Kernal Singh Sandhu
Director
Institute of Southeast Asian Studies
July 1984