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China and Southeast Asia

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Background Briefing: China and Southeast Asia

Executive Summary

- In April 2012, several incidents in the South China Sea underlined some of the tensions in China-Southeast Asia relations.
- China and Southeast Asia are complex entities. China can be conceptualised in three ways: namely, as a conventional nation-nation and even an imperial construct; as a regional actor; and as a global power. It is the tension between these three 'Chinas' that is at the heart of its relationship with the ten countries of Southeast Asia.
- Southeast Asian countries are themselves incredibly diverse. They are comprised of very different levels of economic development, with different belief systems and political regimes, ranging from authoritarian to vibrant democracies.
- Chinese soft power has not had the desired results in ASEAN countries: while these countries do pay attention to China, China has been unable to attract its southern neighbors to its governance model.
- From a Southeast Asia perspective, a series of 'asymmetrical bilateralisms' is a salient way to describe the region's relationship with China.
- Drawing upon the traditional Southeast Asian version of a 'middle power' approach, the countries of Southeast Asia are involved in a soft-hedging, or balancing, strategy in relation to China.
- China has now become a key player in Southeast Asia's *de facto* economic regionalisation. However, not all the consequences are seen as positive.
- China has been less successful in imposing its *de juré* institutional regionalisation since the creation of the East Asia Summit, which includes India, the US, Russia, Australia and New Zealand.
- Moreover, China's peaceful rise has prompted the pivot of US foreign relations back to Asia, which Southeast Asian countries welcome as the ultimate security guarantor.
- Strategic balancing and soft hedging in Southeast Asia has opened up a space for a stronger European presence. However, this is conditional on Europe remaining united in its actions.
- The EU needs to develop a clear strategy and communicate clearly both in word and deed its commitment to Southeast Asia.

Introduction

If one were to seek a metaphor for the relations between China and Southeast Asia, reference to clichéd jokes about (wealthy) mother-in-laws may be a useful starting point. Firstly, as with a mother-in-law, the people of Southeast Asia have no choice in having such a large and powerful neighbour. Secondly, it is often considered better to have a wealthy mother-in-law, from whose riches one can benefit than one whom requires support. Finally, the further away one resides from her, the more comfortable one is about her existence. Thus, views of Chinese power in Jakarta are significantly more sanguine than those found in Hanoi.

The confrontation between the Philippine Navy and Chinese fishing vessels and surveillance craft (from one of the five poorly coordinated agencies with this responsibility) in the Scarborough Reef area of the South China Sea in April 2012 would seem to confirm the appropriateness of this metaphor. This incident occurred during the same week that Vietnam dispatched a small group of monks to the disputed Spratly chain in order to reinforce its territorial claim. It not only highlighted the potential for conflict in a maritime area of major significance for international trade, but also expressed a heightened wariness among China's immediate neighbours about the latter's ostensibly benign intentions. This concern is exacerbated by the opacity of Chinese decision-making and doubts about who is ultimately in control. Both of these factors are embedded in the nature of the Chinese polity.

1. Hydra-Headed China and a Multiple Southeast Asia

An examination of China's relations with the countries of Southeast Asia and, for that matter, their regional organisation, the Association of Southeast Asian Nations (ASEAN, founded in 1967), requires an understanding of the complexity of the two entities concerned. China may be a single nation state but it can also be considered a region state or an imperial construct in which the interrelationship of its (domestic) parts impact on its relations with its southern neighbours. Secondly, it is a regional actor that operates in diverse regional contexts – Northeast Asia, Central Asia and Southeast Asia – in which the latter is merely one of several that requires attention. In this regard, there is a general sentiment[1] that China's relationship with ASEAN is of secondary importance to involvement, say, in the Shanghai Cooperation Organisation (SCO). Indeed, Beijing not only houses the secretariat and determines the agenda of the SCO, but the organisation also deals with domestic issues of crucial importance for the Chinese regime, namely the control of secessionist movements, the integrity of borders and access to the vast energy resources necessary to fuel the Chinese economy. Thirdly, as

[1] Ascertained through interviews by the author's Sinologist colleagues with Foreign Ministry officials and think tank specialists in Beijing

the world's second largest economy, China is a global power in a multi-nodal world in which its regional action in Southeast Asia is already inscribed within its domestic-foreign relations nexus.

As for Southeast Asia, it is undoubtedly one of the most diverse regions in the contemporary world: Singapore has a GDP superior to most EU Member States while countries such as Laos and Burma/Myanmar are among the least developed countries in the United Nations (UN). Thriving Southeast Asian megacities, such as Bangkok, Jakarta and Singapore, provide tangible demonstrations of the Asian Economic Miracle, but they co-exist with much poorer rural heartlands where, on average, 70% of the population still live. This diversity is not merely economic; the five or six major religious and philosophical traditions - Buddhism, Christianity, Confucianism/Taoism, Hinduism and Islam - are present to varied degrees in the ten countries of the region and these belief systems impinge on the political cultures and polities concerned, ranging from absolute monarchy in Brunei to the present dysfunctional democratic system in Asia's first independent republic, the Philippines. Between these two extremes are soft authoritarian regimes (Vietnam, Laos and Cambodia), soft or semi-democracies (Malaysia and Singapore), and assertive, if problematical, democracies (Indonesia). There are also countries undergoing forms of political evolution, such as Burma/Myanmar (formerly in the hard authoritarian category), and Thailand, which oscillates between soft authoritarian and soft democratic norms, whose trajectory is unclear at this point in time. Finally, despite their membership of one regional association (ASEAN), the classical geographical distinction between mainland/continental Southeast Asia (Vietnam, Laos, Cambodia and Burma/Myanmar) and maritime/island Southeast Asia (Malaysia, Singapore, Brunei, Indonesia and the Philippines) remains salient. Indeed, it is argued below that one of the consequences of an increasingly assertive Chinese role in Southeast Asia is the accentuation of divisions between the two.

2. Tributary Relations and Asymmetrical Bilateralisms

The elites of all ten Southeast Asian countries share a common challenge, namely, coping with a large neighbour to the north, the only 'civilisation to form itself a nation'.[2] Of course this situation is not new, and neither is the imbalance in the relationship. In his seminal work written in 1968, eminent American sinologist John Fairbank argued that traditional Chinese foreign relations were characterised by sinocentrism and a sense of superiority over non-Chinese people. The result was a series of tributary relations in which the monarchs of various Southeast Asian polities went to China

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[2] These words were spoken by John Fairbank in 1968. Interviews conducted by Fairbank over the years in various parts of Southeast Asia underline the fact that this is *the* overriding geopolitical and geo-economic challenge in the region.

to acknowledge Chinese suzerainty by paying tribute to the Chinese emperor. By showing respect in such a way, the polities to the south were allowed virtual autonomy.

One way of interpreting China's relations with Southeast Asia today is to suggest that there is a renewal of this type of relationship in which China assumes, what the Chinese elite regard as, its 'rightful' place at the centre of Asia. Indeed, the pageantry that accompanies the regular visits of Southeast Asian political leaders to Beijing is designed to stress, at best, fraternal ties and, at worst, a relationship of subordination. Today, Chinese scholars and officials tend to stress that China has never been an expansionist power in Southeast Asia: the millennium of Chinese occupation of what is today northern Vietnam being the exception that proves the rule. The stress in today's official Chinese rhetoric on its 'peaceful rise', 'harmonious society' and being 'good neighbours' is a contemporary expression of benevolent paternalism. The reform era in China since the mid-1980s has been accompanied by increasingly sophisticated Chinese efforts to reassure its southern neighbours through various forms of what has been described as 'soft' power, i.e. cultural diplomacy (e.g. the creation of Confucius Institutes), development assistance, investment, dialogue within the context of regional organisations, etc. However, ostensible Chinese soft power needs to be unpacked.

Soft power involves three elements, namely, attentiveness, persuasiveness and attractiveness. While China's rise and increasing political and economic power has undoubtedly focused the *attention* of elites in Southeast Asia, this has not necessarily been translated into an ability to *persuade* them to accept, for example, the so-called 'Beijing Consensus' – in other words, that illiberal governments are a prerequisite for economic growth. On the contrary, since the Asian Financial Crisis of 1997, seen by most analysts as marking the beginning of the new Chinese posture as a responsible regional actor concerned with the well-being of its southern neighbours, political trajectories in Indonesia, Thailand and, today, Burma/Myanmar have moved away from authoritarianism. Moreover, outside the city-state of Singapore, where two-thirds of the population are of Chinese origin, it is difficult to find public intellectuals who are attracted by the virtues of the Chinese model. Just below the surface of public opinion in Southeast Asia is a visceral, reflexive sinophobia, fuelled during the colonial period and today nurtured by dependence on/resentment towards the business elites of Chinese origin who are preeminent in most Southeast Asian economies. While the most recent riots against ethnic Chinese in Southeast Asia occurred in Indonesia in 1998 (accompanying the fall of the Suharto regime), interviews conducted throughout the region over several years underline the ease with which politicians can generally designate a Chinese scapegoat to maintain their popular support.

If we move away from the sinocentric view of a tributary relationship and instead conceptualise it in terms of the asymmetrical relations between China and the Southeast Asian countries, two indigenous metaphors are helpful. The first, from mainland Southeast Asia, is the Burmese expression of *pauk-phaw,* which can be translated as 'kinsfolk', and implies a relationship between a younger sibling and his elder brother. The second, from maritime Southeast Asia, is a concept developed by Indonesia's first Vice President, Mohammad Hatta (in 1947), *mendayung antara dua karang*, loosely translated as 'rowing between two reefs'. Both concepts imply a level of 'actorness' on the part of Southeast Asian political elites. China may proclaim itself to be a leader of the Asian peoples, echoing former Chinese Premier Zhou Enlai at Bandung in 1955, but 'followership' can also be a tactical choice. Learning from the time of King Mongkut and King Chulalongkorn in Siam in the latter half of the nineteenth century (who maintained their country's independence, in part, by playing the French against the British), Southeast Asian political elites have, since independence, adopted a strategy of soft hedging, balancing one power against another. By dividing the region into two hostile camps, the Cold War rendered such a strategy unworkable; however, with its end, this strategy has come to the fore once again.

Since the end of the Cold War and the entry of Vietnam (1995), Laos (1997), Burma/Myanmar (1997) and Cambodia (1998) into ASEAN, we have seen a second strategy in relation to China (and the West) reinforced; namely, strengthening the Association as a regional organisation – symbolised by the adoption of the ASEAN Charter in November 2007 which for the first time gave it a legal personality. The implementation of the ASEAN Free Trade Agreement which will lead to the establishment of an ASEAN Economic Community in 2015 is designed to increase intra-ASEAN trade from its present low of 25% (see Annex 2, Figure 2). According to ASEAN's jargon, this is designed to keep it 'in the driver's seat' of regional integration in Asia and the Pacific. China's strengthened role in Asia's regional economic integration and its own regional policies potentially call that central role into question.

3a. China's Relations with Southeast Asian Countries and ASEAN: The Economic Dimension

A key question underlying this report concerns the nature of Asian regional integration. In the literature on comparative regionalism, a distinction is often made between *de facto* economic regionalisation and *de juré* institutional regionalisation. China is impacting on both in Southeast Asia but, given the importance of geo-economics in relation to geopolitics, it has particularly impacted the former. In the trade area the impact is profound. Trade between China and Southeast Asia grew from about €8 billion in 1994 to €180 billion in 2008, falling slightly in 2009 as a result of the global financial crisis (see Annex 2, Figure 1). For all of the ASEAN countries combined, this trade has been balanced on average. However, the overall figures hide important discrepancies in trade between the member countries who export raw materials and energy sources, such as Indonesia and Laos, and who have trade surpluses (see Annex 2). This recent massive increase in trade is partly a result of the China-ASEAN FTA established in 2010 (see Annex 2, Table 5). This agreement provided an 'early harvest' programme for the poorer countries of Southeast Asia, which acted as a sweetener for the trade deal. However, since 2010 trade flows have started to shift to the benefit of China.

China has also become an investor in Southeast Asia, providing some €38 billion of investment in 2008. However, one should note that this is a mere 2.6% of China's total stock of investment overseas and, moreover, some 80% of these investments are in Singapore, largely in financial services (see Annex 2, Table 2). When it occurs, Chinese investment outside of this area is above all designed to meet the needs of the Chinese domestic market. This is the case for dam-building in Laos, Cambodia and Burma/Myanmar which is designed to provide electricity for the Chinese market. Unlike the Japanese, the Chinese have not yet developed vertical production networks in Southeast Asia and, at present, Chinese companies buy components from these countries to be assembled in China itself. For the middle income countries of Southeast Asia, notably Malaysia and Thailand this is a long-term worry. However, as China continues its industrialisation and modernisation process, benefiting the poorer regions in its western interior, these imports from Southeast Asia will find themselves in competition with domestically produced components. The long-term result may well result in trapping the middle income countries in the status quo, in contrast to South Korea and Taiwan who have managed to emerge with their own innovative industries.

Moreover, forms of *de facto* economic regionalisation could potentially have the effect of dividing ASEAN between its mainland and island members. Propelled by the Chinese government, and with the support of the (Japanese led and partly Western financed) Asian Development Bank (ADB), the Greater Mekong Sub-Region has become the most dynamic part of Southeast Asia. Nominally its membership includes Cambodia, Laos and Myanmar as well as the two southern Chinese provinces of Yunnan and Guangxi. The ADB has contributed a third of the approximate US$11 billion (EUR 8.4 billion) worth of infrastructure investment since 2000, the lion's share of the remainder coming from China. In Burma/Myanmar alone the Chinese invested some $8 billion (EUR 6 billion) in oil, gas and hydropower in 2010 and had agreed to US $80 billion (EUR 61 billion) in investment projects in Cambodia. On the ground, these forms of economic integration will see mainland Southeast Asia, Yunnan and Guangxi served by a Chinese sponsored, integrated network of high speed rail connections, pipelines and highways by 2020 (see Annex 1, Figures 1 and 1a). Given that these networks will by-pass the poorest and least developed areas in order to provide new openings for Chinese trade outside of Southeast Asia, the local benefits are debatable.

3b China's Relations with Southeast Asia: The Political Dimension

With the benefit of hindsight, China has been less successful in imposing its own concept of *de juré* institutional regionalisation. While China had a privileged position in relation to ASEAN in the ASEAN + 3 Forum, this position had to be shared with Korea and Japan - yet another example of the hedging strategy of its southern neighbours. In 2005, this Forum saw itself being overshadowed by the creation of the East Asia Summit (EAS) involving ASEAN + 3, India, as well as Australia and New Zealand. As a result China sought to complete the negotiations for an East Asian inner circle (i.e. ASEAN +3) in which China would be the main player through a China-ASEAN Free Trade Area. However, six years later in November 2011, the East Asia Summit saw the admission of the United States and Russia to balance China's role.

While the Chinese may still remain cautious concerning regional institutionalisation, since the first EAS in 2005, their view of multilateralism has evolved to the extent that they are no longer pre-occupied with excluding the US from the region. Within China, many analysts and policymakers recognise that an international order requires multilateral norms and must be inclusive. Moreover, the kind of weak regional integration that the EAS represents – that is, one bereft of institutionalisation – is seen in Beijing as another convenient way of organising Chinese multilateral action within Asia. In other words, the Chinese have encouraged regional widening in order to undermine any regional institutional deepening. Some authors have highlighted the re-emergence of the concept of *tianxia* (All Under Heaven) in Chinese foreign relations discourse as a reflection at the multilateral level of the ideal of a harmonious society traditionally applied to the Chinese domestic context. This is not to suggest that the objective of a Sinocentric regional order or a new form of tributary has fallen by the wayside. Rather, these objectives have been subsumed under a global commitment to multilateralism within the international environment. The consequence is a reformulation of Chinese foreign policy in terms of multiple levels of multilateralism in which the various pan-Asian, Asia-Pacific and Eurasian relationships are placed in an evolving hierarchy. In this hierarchy Southeast Asia is not a priority despite the rhetoric of a special relationship.

4. Conclusions

As argued above, the Chinese regime's efforts to export the notion of a harmonious society to characterise its good neighbour relations with Southeast Asia have only partly been successful. Despite claims regarding the benevolence of Chinese soft power, it has only taken a couple of maritime incidents in the South China Sea (see Annex 1, Table 2) and the increasingly strident and arrogant language of Chinese diplomats to arouse, once again, a certain wariness in Southeast Asia vis-à-vis China. ASEAN ambassadors have expressed concern, also heard elsewhere, that an increasingly nationalist and confident younger generation in China will push an otherwise trustworthy regime towards taking provocative actions with its neighbours, in order to strengthen its own domestic legitimacy. In addition, the People's Liberation Army's element of civilian control means that it has the capacity for action inimical to the aim of good neighbourly relations vaunted by the Chinese Communist Party leadership. While the expression 'arms race' would be misguided - most Southeast Asian countries, with the exception of Singapore and Burma/Myanmar, spend less than 2% of their GDP on defence - within their limited budgets, the increased allocation for air and maritime equipment by Southeast Asian nations is designed to counter the threat provided by the significant increase in Chinese military power in the last decade (see Annex 1, Table 1). The encouragement or, at least benign acquiescence, in the strengthening of the US military presence in the Asia-Pacific must also be seen in this light. Indeed, contrary to the expectations of some pundits, China's rise has not been to the detriment of the United States but rather has set the stage for a strengthened American presence in East Asia.

Internally, economic relations with China are raising questions. The cancelling of the Chinese funded Myitsone Dam project on the Irrawaddy River by the new semi-civilian government in Burma/Myanmar in September 2011 is significant. This cancellation was justified by the new Burmese President, Thein Sein, on the grounds that it was made under pressure from the public. A counter example is provided in the case of Cambodia, where a corrupt authoritarian regime is secretly selling off large tracts of protected areas and national parks to Chinese interests. In this process, thousands of peasants and fishermen are being dispossessed of their land and livelihoods with little compensation. The implication is clear, many aspects of the Chinese presence in Southeast Asia feed off the weakness of states and the absence of strong civil societies.

5. Implications for Europe and the European Union

Through the practice of soft-hedging alluded to above, a space has opened for a strengthened European role in Southeast Asia. Such a role, however, is dependent on Europe remaining united in its approach and not allowing internal competition to detract from a common front. To state the obvious, the EU does not have a Seventh Fleet floating around in the Pacific and, in other words, cannot *directly* contribute to the security of the countries of Southeast Asia. However, it can *indirectly* do so in four ways:

1. The US ‘pivot’ to Asia will mean that, by default, Europeans will have to take greater responsibility for their own defence. In other words, the time for a strengthened Common Foreign and Security Policy has arrived and a more united security front will legitimise the EU’s presence overseas.
2. The EU needs to support the ASEAN members in making sure, for example, that the resolution of territorial disputes in the South China Sea are addressed multilaterally and not bilaterally so as to avoid a significant power advantage to China.
3. The EU should provide continued support (through technical assistance, etc.) to ASEAN in order to enable it to strengthen its own regional organisation.
4. By engaging in trade and investment that respects the people and environment of Southeast Asia, Europe can act as an alternative partner to a China, which is perceived as rapacious and predatory, particularly in the weaker Southeast Asian nations. The recent agreement on sustainable forest products between the EU and Indonesia (worth €800 million annually) provides an example of how Europe can parlay its market power in a way that is mutually advantageous. An EU that has resolved its own economic problems will also be in a position to play this balancing role, for example, through its participation in the Asian Development Bank. As they continue to emerge, the countries of Southeast Asia can provide opportunities for European countries through the need to build infrastructure and develop the service sector. The regulatory and political economy dynamics in these countries are certainly more favourable to European business than a one-party state like China.

A three-fold strategy is required from Europe. Firstly, it must offer continued support for ASEAN and help it to achieve the objectives of the ASEAN Charter. In this regard, the decision of Catherine Ashton, the EU’s High Representative, to attend the EU-ASEAN Summit for the first time is welcomed. Secondly, as the European External Action Service strengthens its delegations and creates new ones (such as that announced in April 2012 in Rangoon), it should commit to a concomitant strengthening of country action programmes. Negotiations for individual Preferential Trade Agreements with Vietnam, Malaysia and Singapore should be accelerated. Thirdly, the only Southeast Asian country to be a member of the G20, Indonesia, should be offered a strategic partnership with the EU (like those with the three Northeast Asian countries) and be cultivated as a potential coalition partner in global governance.

China’s rise and the American return to Asia provide a window of opportunity for a reinvigorated European role in Southeast Asia. For this to occur, European elites need to rise beyond a Manichean ‘dragon bashing’ or ‘panda hugging’ obsession with the People’s Republic. A good start would be to look at China through the eyes of our potential Southeast Asian partners: as both a threat and opportunity.

Annex 1
Geopolitics and Geo-economics in the China – Southeast Asia Relationship

Military Balances

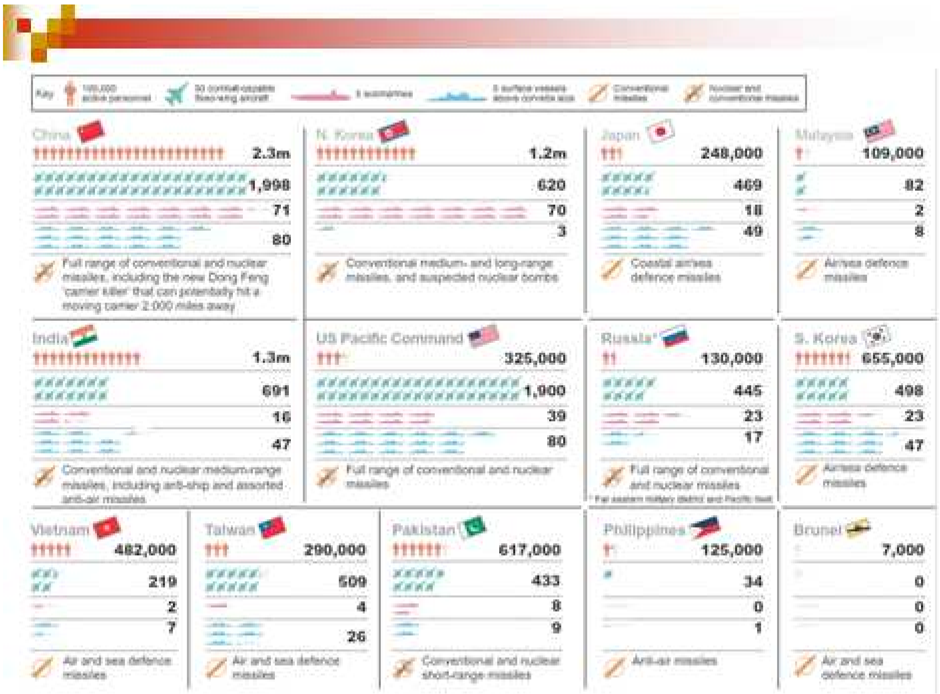
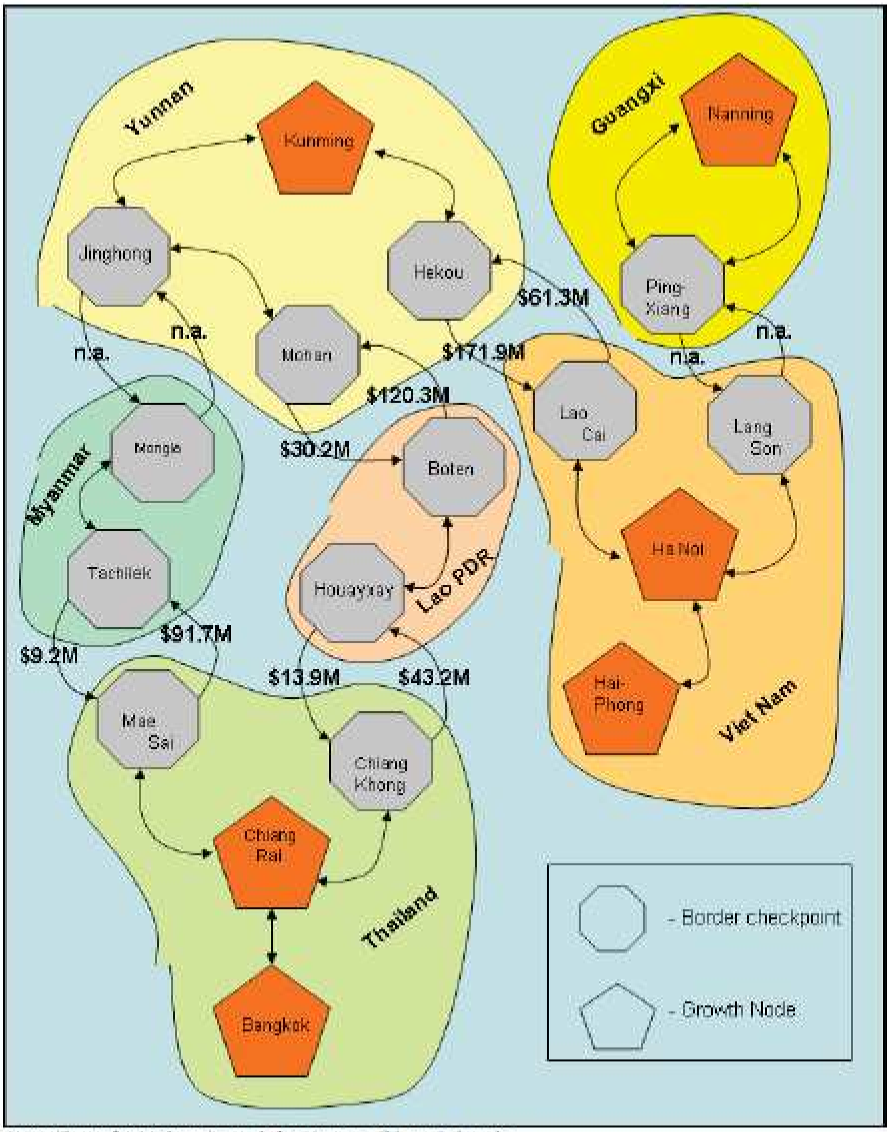


Figure 1: Key North–South Economic Corridor Provinces/Areas and Growth and/or Border Nodes

Source: ADB.

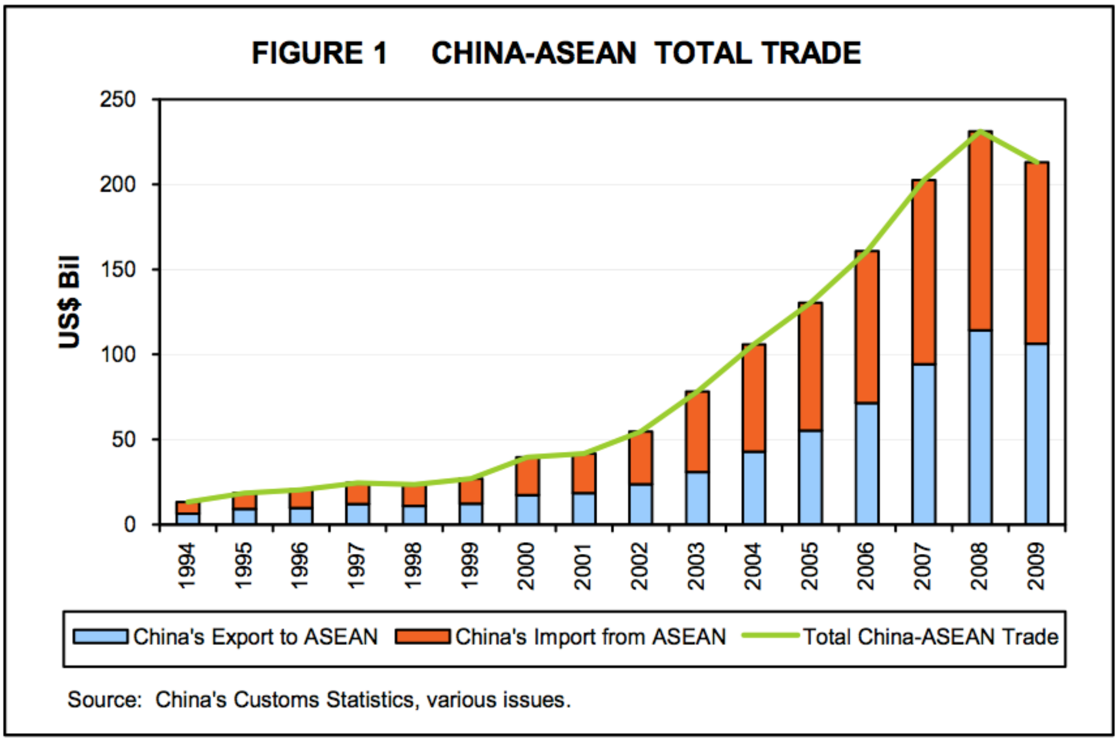
Figure A.1: NSEC Cross-Border Trade, 2005



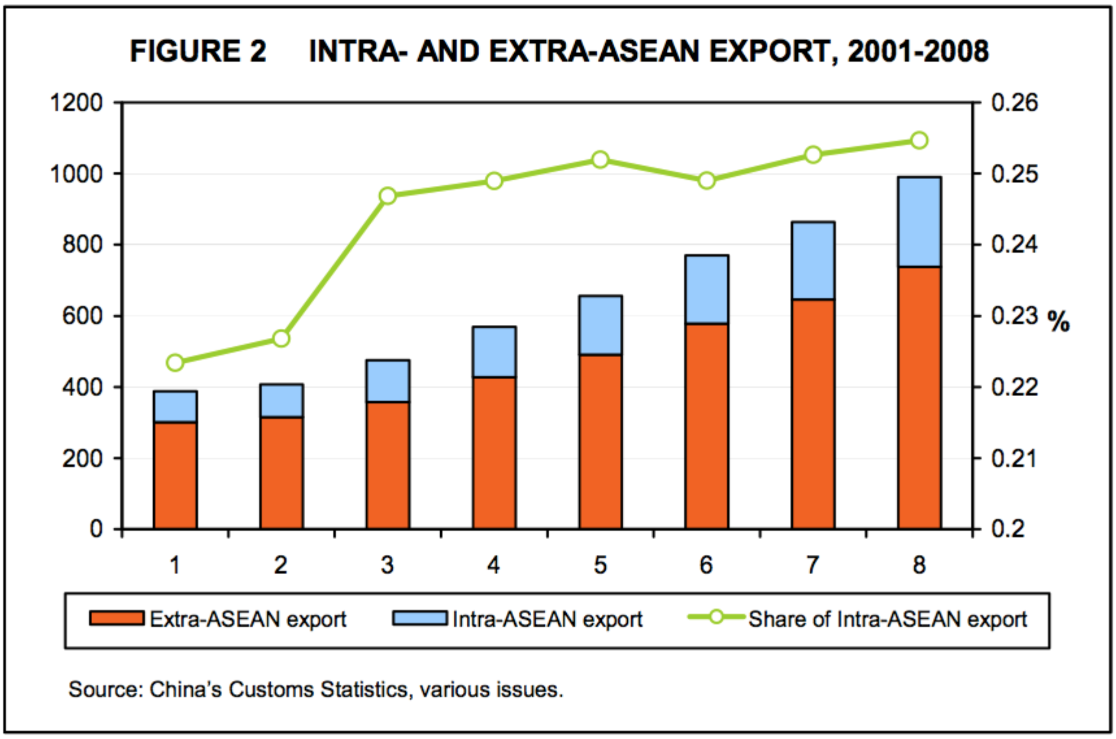
Note: Figure for Mohan–Boten is for Yunnan–Chiang Rai trade.

Annex 2

China – ASEAN Trade and Investment Figures



Source: http://www.eai.nus.edu.sg/BB519.pdf



Source : http://www.eai.nus.edu.sg/BB519.pdf

TABLE 1 ASEAN'S FDI TO CHINA (USD MILLION AND %)

	Total FDI to China	ASEAN's FDI to China									
		Indonesia	Malaysia	Philippines	Singapore	Thailand	Vietnam	LCM*	Brunei	Subtotal	% in Total
1995	48,133	112	259	106	1,861	288	28	0	0	2,654	5.5%
1998	45,463	69	340	179	3,404	205	14	9	2	4,223	9.3%
2002	52,743	122	368	186	2,337	188	3	36	17	3,256	6.2%
2005	60,325	87	361	189	2,204	96	1	7	160	3,105	5.1%
2008	92,395	167	247	127	4,435	129	2	13	340	5,461	5.9%

Notes: *LCM refers to Laos, Cambodia, and Myanmar.
Source: China Statistical Yearbook, various years

Source : http://www.eai.nus.edu.sg/BB519.pdf

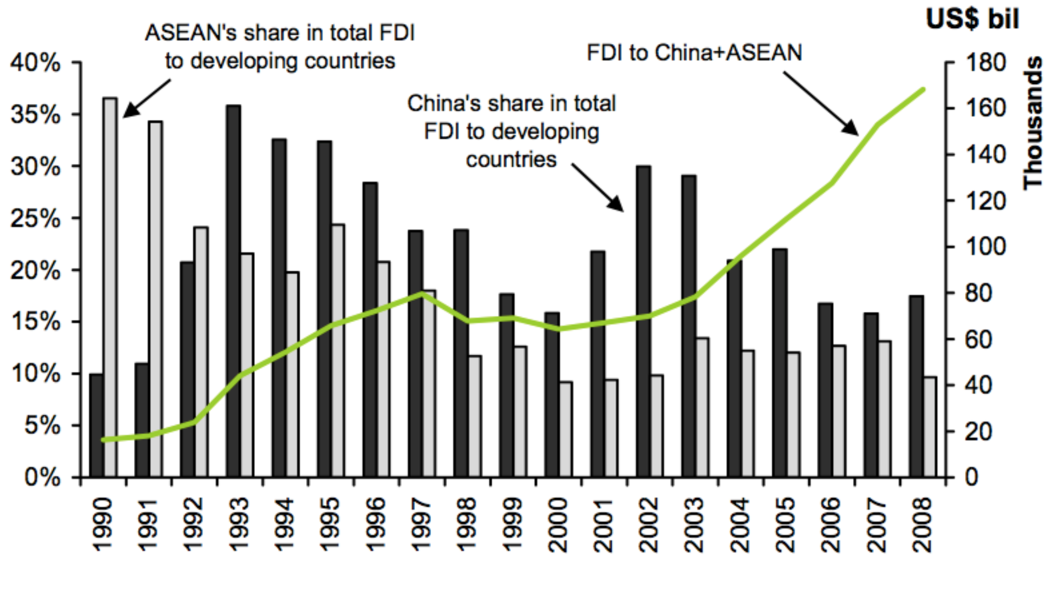
TABLE 2 CHINA'S FDI TO ASEAN (USD MILLION AND %)

	China's Total outward FDI	China's FDI to ASEAN					
		Indonesia	Singapore	Thailand	Vietnam	Sub-total	Share in total
2004	5,497	62	48	23	17	150	2.73%
2005	12,261	12	20	5	21	58	0.47%
2006	17,633	57	132	16	44	248	1.41%
2007	26,506	99	398	76	111	684	2.58%
2008	55,907	174	1,551	45	120	1,890	3.38%
Accumulated Stocks end 2008	183,971	543	3,335	437	522	4,837	2.63%

Source: China Statistical Yearbook, various years.

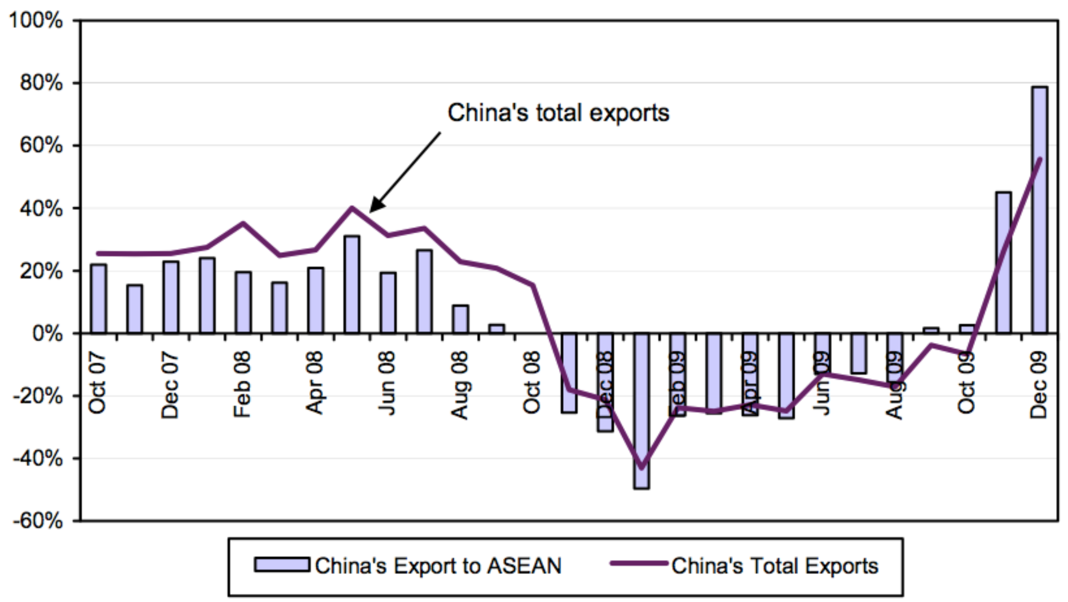
Source : http://www.eai.nus.edu.sg/BB519.pdf

FIGURE 3 FDI TO CHINA AND ASEAN, 1990-2008



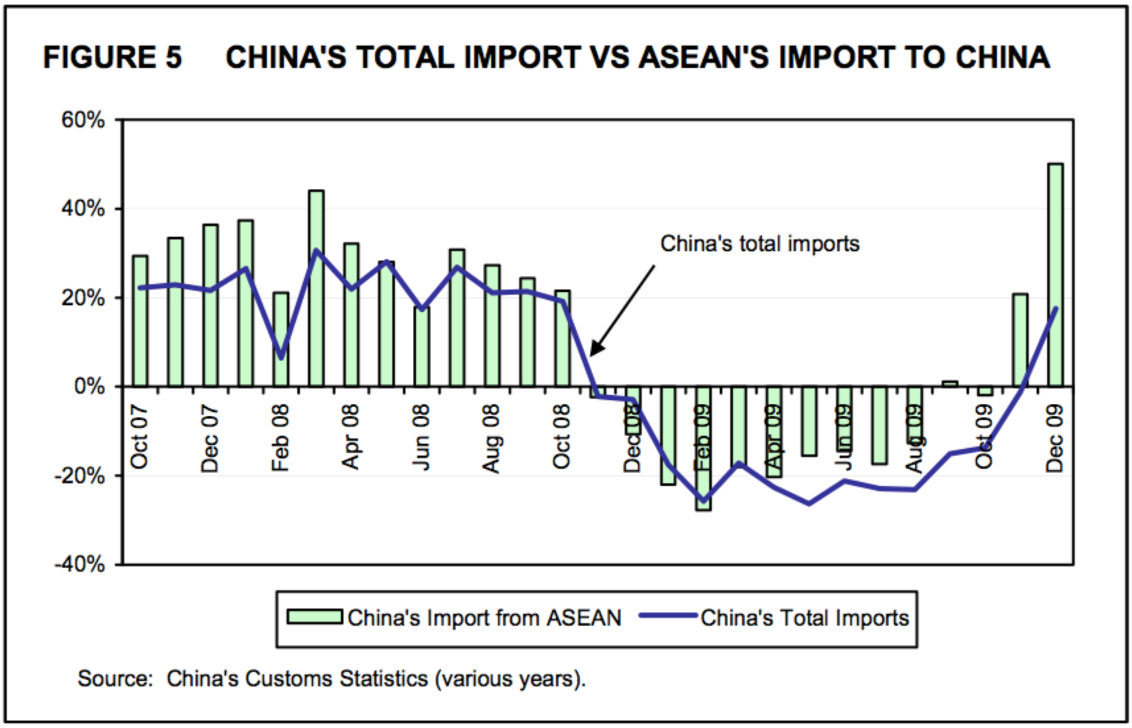
Source : http://www.eai.nus.edu.sg/BB519.pdf

FIGURE 4 CHINA'S TOTAL EXPORT VS ASEAN'S EXPORT TO CHINA



Source: China'sCustoms Statistics (various years).

Source : http://www.eai.nus.edu.sg/BB519.pdf



Source : http://www.eai.nus.edu.sg/BB519.pdf

TABLE 3 CHINA'S IMPORT FROM ASEAN (Y-O-Y % CHANGE)

	Myanmar	Indonesia	Malaysia	Philippines	Singapore	Thailand	Vietnam
2009 Q1	-7%	-26%	-23%	-11%	-17%	-27%	-30%
2009 Q2	11%	-23%	-17%	-17%	-15%	-30%	-24%
2009 Q3	5%	-24%	-14%	-14%	-15%	-24%	-7%
2009 Q4	15%	-14%	-8%	-6%	-7%	-15%	8%

Source: China's Customs Statistics

Source : http://www.eai.nus.edu.sg/BB519.pdf

TABLE 4 CHINA'S IMPORT FROM ASEAN (Y-O-Y % CHANGE)

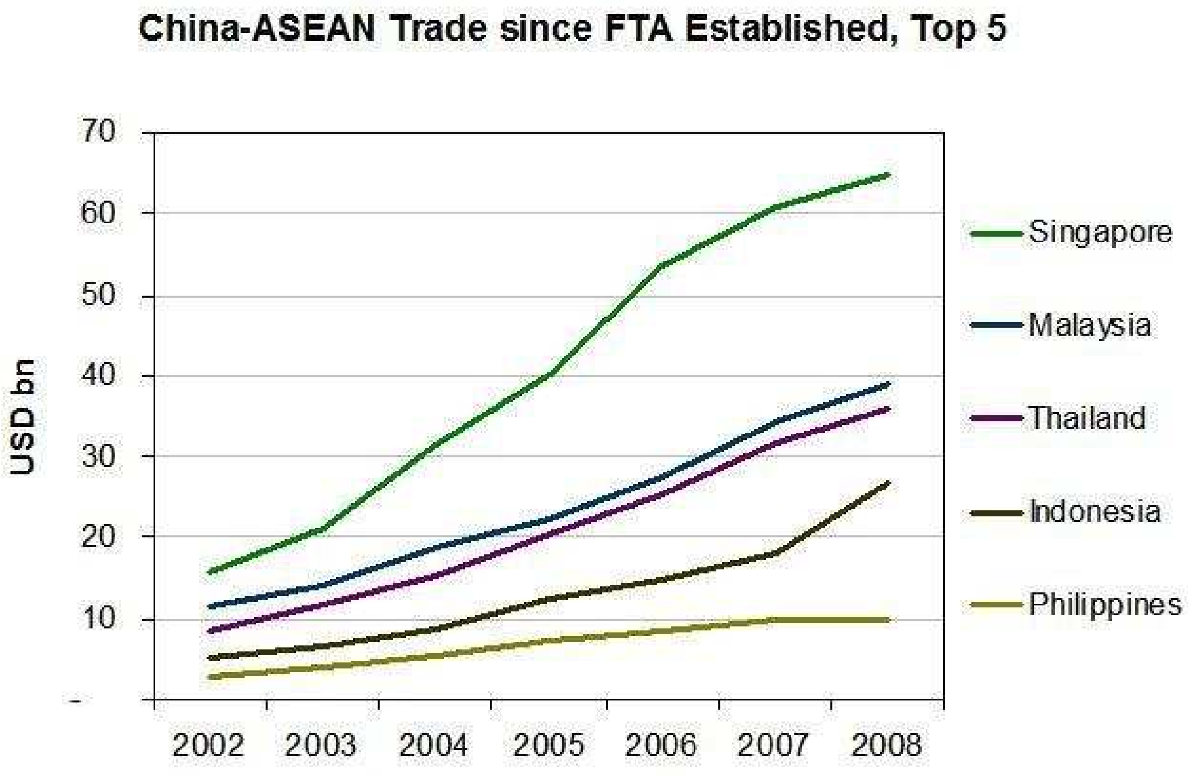
	Indonesia	Malaysia	Philippines	Singapore	Thailand	Vietnam
Jan-09	-21%	-24%	-5%	-11%	-30%	-43%
Feb-09	-37%	-35%	-21%	-21%	-31%	-24%
Mar-09	-22%	-13%	-9%	-19%	-21%	-23%
Apr-09	-24%	-5%	-24%	-21%	-38%	-29%
May-09	-22%	-13%	-16%	-4%	-32%	-23%
Jun-09	-16%	-19%	-23%	-12%	-26%	4%
Jul-09	-32%	-6%	-24%	-22%	-24%	15%
Aug-09	-26%	-12%	-10%	-22%	-15%	36%
Sep-09	-15%	-9%	9%	-4%	-4%	58%
Oct-09	-12%	-7%	-3%	-7%	-6%	32%
Nov-09	12%	14%	18%	9%	20%	75%
Dec-09	64%	21%	41%	62%	49%	70%

Source: China's Customs Statistics

Table 5: ASEAN Member States Trade with China, 2004-2008
(Value in million US$)

Country Name	2004	2005	2006	2007	2008
Brunei Darussalam	243	234	174	201	0
Cambodia	12	15	13	11	13
Indonesia	4.605	6.662	8.344	8.897	11.637
Lao PDR	1	4	1	35	15
Malaysia	8.634	9.465	11.391	15.443	18.422
Myanmar	75	119	133	475	499
Philippines	2.653	4.077	4.628	5.750	5.467
Singapore	15.321	19.770	26.472	28.925	29.082
Thailand	7.098	9.083	10.840	14.873	15.931
Viet Nam	2.711	2.828	3.015	3.336	4.491
ASEAN Export	41.352	52.258	65.010	77.945	85.558
Brunei Darussalam	87	94	120	157	171
Cambodia	337	430	516	653	933
Indonesia	4.101	5.843	6.637	8.616	15.247
Lao PDR	89	185	23	43	131
Malaysia	11.353	14.361	15.543	18.897	18.646
Myanmar	351	286	397	564	671
Philippines	2.659	2.973	3.647	4.001	4.250
Singapore	16.137	20.527	27.185	31.908	31.583
Thailand	8.183	11.116	13.578	16.184	19.936
Viet Nam	4.416	5.322	7.306	12.148	15.545
ASEAN Import	47.714	61.136	74.951	93.173	107.114

Source: ASEAN Trade Statistics Database (Data as of July 2009) http://www.aseansec.org/23752.htm


China-ASEAN Trade since FTA Established, Top 5
USD bn
70
60
50
40
30
20
10
-
2002
2003
2004
2005
2006
2007
2008
Singapore
Malaysia
Thailand
Indonesia
Philippines