

Tracing the Asian Export Surge

While the growth of the world economy has slowed over the past 20 years, Asian countries, and particularly newly industrialized countries (NICs) and the members of the Association of Southeast Asian Nations (ASEAN), have seen their economies soar as a result of rapid industrialization and a subsequent surge in exports.

Real Economic Growth in Industrialized and Developing Countries (%)

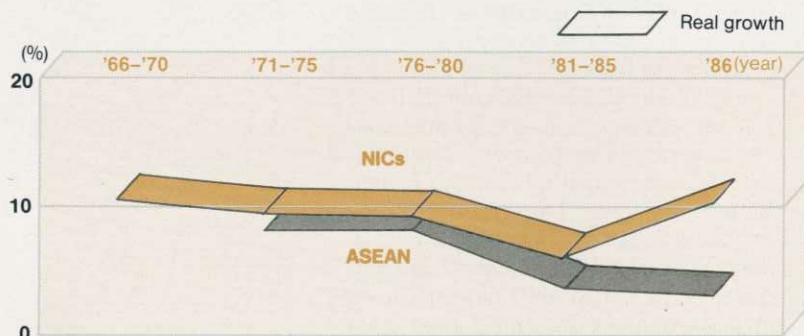
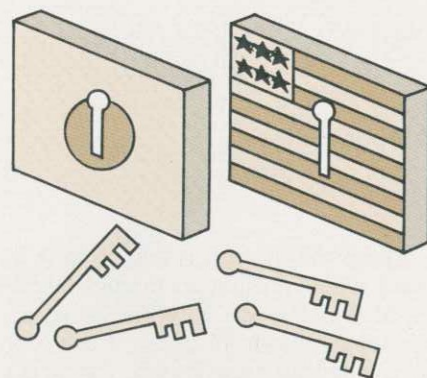
	1970-1979	1980-1984
Developing countries	5.3	1.8
Industrialized countries	3.0	2.4

Source: IMF

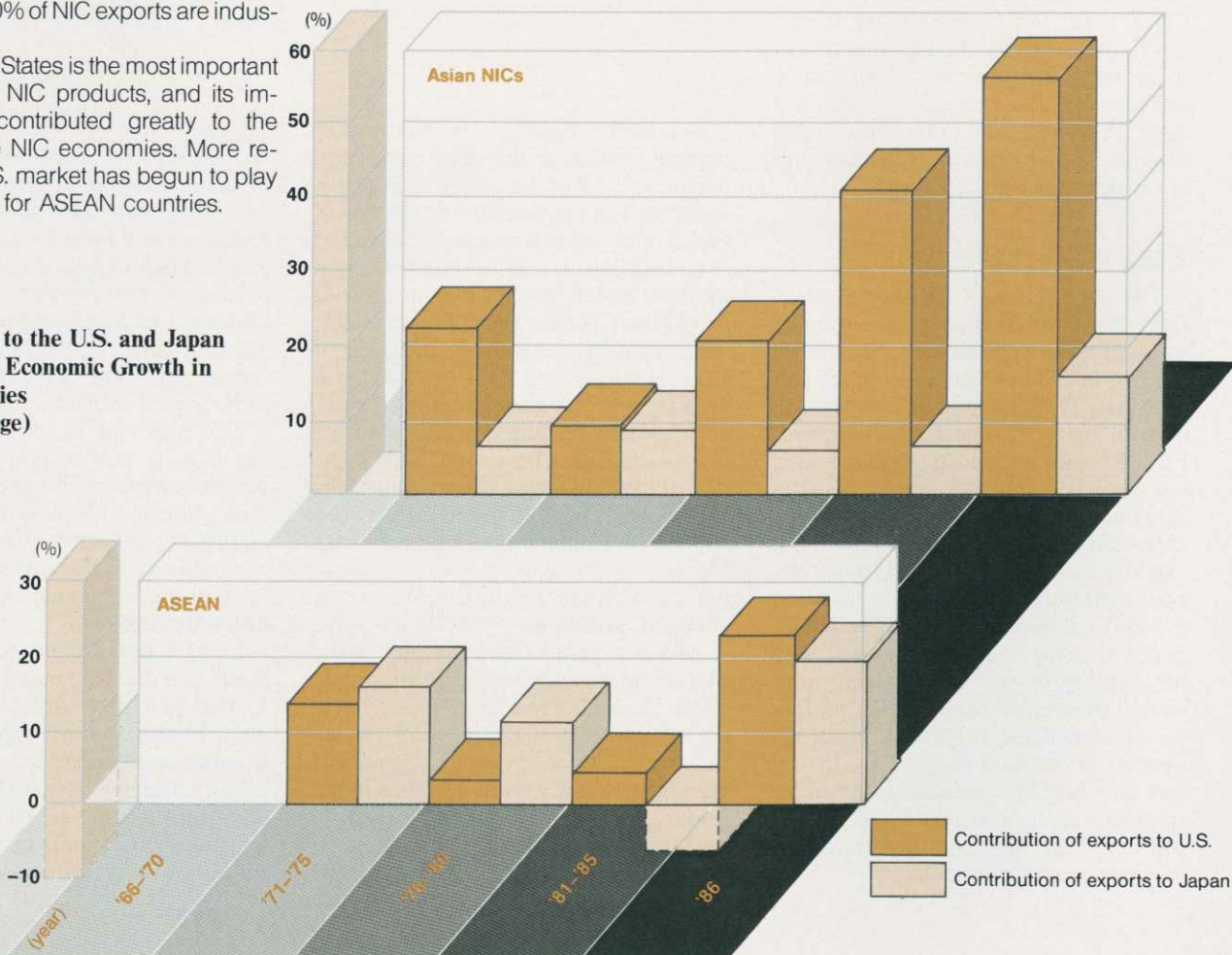
Recently, the NICs have been growing even faster than the ASEAN states, reflecting weak demand and low prices since the beginning of the decade for petroleum and other primary products, long the mainstays of ASEAN exports. In contrast, some 90% of NIC exports are industrial goods.

The United States is the most important customer for NIC products, and its imports have contributed greatly to the growth of the NIC economies. More recently, the U.S. market has begun to play a similar role for ASEAN countries.

Exports to Japan previously contributed little to the economic growth of Asian countries. But as the yen has strengthened against their currencies, the Japanese market has become a more important factor in their economic growth. For the continued stable growth of Asian economies, Japan will have to open its doors even wider to their products.



How Exports to the U.S. and Japan Contribute to Economic Growth in Asian Countries (annual average)



Notes: 1. NICs covered in this datagraph are South Korea, Taiwan and Hong Kong.
2. ASEAN countries covered are Thailand, Malaysia, Indonesia, Singapore and the Philippines.