

**'Asean insulated against economic shocks'**  
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Indonesia said today that Southeast Asia is insulated against economic shocks from the United States and Europe thanks to expanding internal trade and the growth of regional giant China.

Trade Minister Mari Pangestu told reporters on the sidelines of a meeting of economic ministers from the Association of Southeast Asian Nations (Asean) that the region was ready to "offset the decline" in the US and European economies.

"I think in general the Asean countries are in better shape than say, 2008, to withstand any fluctuations, and interestingly enough we see growth in intra-Asean trade as well as our trade with other Asean partners," she said.

"As long as Asia continues to have robust growth, then it can offset the decline in Europe and the US."

The 43rd Asean Economic Ministers meeting in Manado, on Sulawesi island, is taking place against a backdrop of global market turmoil driven by fears about European indebtedness and a US credit rating downgrade.

Southeast Asian ministers were expected to discuss progress toward the creation of an integrated economic community of almost 600 million people by 2015 during their talks this week.

Trade between Asean's 10 member states increased 31.2 percent in 2010 to \$519.7 billion, officials said, as tariffs and other barriers are dismantled.

The economic ministers also met with Chinese delegates to discuss ways to boost trade between Asean and China, the block's largest trading partner.

Indonesian Deputy Trade Minister Mahendra Siregar said trade between Asean and China reached \$230 billion in 2010 and was expected to expand further after a free trade agreement, which came into effect last year.

Asean exports to China rose 39.1 percent in 2010 to \$113.5 billion from \$81.6 billion in 2009. Asean imports from China rose 21.8 percent in 2010 to \$117.7 billion from \$96.6 billion in 2009.

"Increasing trade relations between Asean and China will continue," Siregar said.

Pangestu added that slowing growth in China was not a huge concern to the region.

"At the moment China may slow down a little, but we anticipate that it's not going to be a sharp decline in the growth of China," she said.

Asean groups Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

- AFP