

› Understand Southeast Asia

SOUTHEAST ASIA TODAY..... 910

The economic and political changes now occurring throughout the Southeast Asian region offer hope for greater unity and prosperity in the coming decade.

HISTORY 913

Surrounded by the empires of India and China and coveted by European traders and colonists alike, Southeast Asia has a rich cultural heritage and a long history of independence struggles.

RELIGION 917

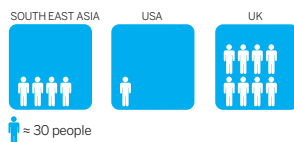
From the major religions of Buddhism, Islam and Christianity to local animist beliefs and ancestor worship, religion plays an important role in the ethnic identities of Southeast Asia.

TROUBLE SPOTS 921

Though the region is more stable today than in decades past, disputes over borders, religious differences and separatist movements are still flashpoints to violence in some areas.



population per sq km



Southeast Asia Today

Surviving the Recession

The Southeast Asian nations waltzed into the end of the millennium's first decade with surprising grace. Their economies remain stable, democracy was restored in Thailand, Myanmar has made promising reforms, and poor nations are getting less poor. Full steam ahead into the Asian century.

Vietnam is one of the world's fastest growing economies and is poised to be among the world's top 20 economies by 2025 according to Goldman Sachs. This expansion is in spite of continued state control on the economy. According to a *New York Times* article, state-owned companies use 40% of the capital invested in Vietnam but contribute only 25% to GDP. Some analysts fear this could derail Vietnam's continued growth but others advise not to underestimate its work ethic and force of will.

There is continued economic liberalisation and trade normalisation in Cambodia and Laos. In 2009, both countries were officially removed from the US trade blacklist, an antiquated designation earned during the US involvement in Vietnam in the mid-20th century. With help from South Korea, Laos opened its first stock exchange in 2011, signalling a serious step towards open markets, and Cambodia hopes to follow.

With around nine million overseas Filipino workers, the Philippines is dependent on international remittances. Thus it relies on overseas economies for jobs. Despite the gloomy global environment, remittances have increased every year since the start of the recession, ensuring stability to that 10% sector of the economy. Thanks to high domestic consumption, Indonesia avoided economic contraction and posted 4.6% growth in 2009. Both countries, along with Vietnam, have been tagged as 'Next Eleven' economies by Goldman Sachs, for their growth potential in the next 15 years.

Myanmar's recently elected government has made several reform efforts, inviting democracy leader Aung San Suu Kyi to a presidential

Population:
593,000,000
GDP: US\$1.486
trillion
GDP per capita:
US\$2500
Unemployment:
5.7%
Average annual
inflation (2011):
5.7%

Do & Don'ts

» Take off your shoes when entering a home, mosque or temple.
» Respect the region's religions, lest you anger the gods.
» Smile; it will put people at ease.

» Don't argue or get visibly angry; you'll cause yourself embarrassment.
» Dress modestly.
» Don't sunbathe topless at the beach.

» Don't expect something for nothing; be reasonable about prices and costs.