

# Asean has competitive edge

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ASEAN can emerge as a key economic region within a rising Asia that is powered by the growth of China and India.

Economies in Southeast Asia are growing rapidly and internal demand is becoming a significant factor in attracting foreign

investments.

Hong Kong-based Competitiveness Institute founding director Professor Michael Enright said Asean has the competitive advantage compared with China and India, backed by its large growing market of more than 500 million people.

"Most Asean economies have been growing by more than 4 per

cent, and foreign companies have started to look at these countries for expansion compared to the two economic giants," he said.

The gradual convergence of economic policies, reductions in trade barriers, and improvement in infrastructure and intellectual property protection are factors facilitating economic integration among the regional economies.

Enright said this at a forum titled "On Asean competitiveness within dynamic Asia" held in conjunction of the Asean 100 Leadership Forum 2010 in Kuala Lumpur yesterday.

The guest of honour was Perak Crown Prince Raja Nazrin Shah.

Khazanah Nasional Malaysia managing director Tan Sri Azman Mokhtar said Asean economies still face huge challenges in terms of

competitiveness.

The region needs to further build up trade creation among participating economies, thus help contribute to the long-term competitiveness of Asean countries.

"By doing so, member countries can take advantage of economies of scale, improve market efficiencies, create larger markets and expand exports," he said.