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# Growth Triangles of Southeast Asia: Relevance for peace and stability in ASEAN

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ABSTRACT: The ASEAN Economic Cooperation is a major step towards achieving the end-goal of economic integration as stated by the ASEAN "Vision 2020". The objective is to create a stable, peaceful and prosperous ASEAN region by the year 2020. For achieving the end goal of economic integration, it is necessary to ensure a free flow of goods and services, capital and technology and labour across borders, equitable income distribution, reduced disparities and abridging of the development gap. Deepening of regional integration is closely linked with regional cooperation, which ultimately promotes peace and stability in the region. This paper argues that the prospects of achieving the goals of ASEAN's 'Vision 2020' is related to the efforts made at deepening integration of the ASEAN region which will depend also upon the successful working of its sub-regional growth initiatives, popularly known as the "Growth Triangles" which are formed among geographically proximate and adjoining areas of member nations such as the SIJORI Growth Triangle, IMT-GT and the BIMP-EAGA as well as those formed on the basis of functional cooperation such as the ASEAN Mekong Development Co-operation.

**Keywords:** Regional Cooperation and Integration, Sub-regional Cooperation, Growth Triangles, ASEAN Vision 2020, ASEAN Economic Community

#### I. INTRODUCTION

The Asia and Pacific region has become the most dynamic region in the world today. The region mainly has economies, which have diverse socio-economic and political structures and are primarily heterogeneous in nature. Most of them are now developing fast as a result of rapid economic growth. Increasing efforts have been made to promote regional and sub-regional cooperation amongst the member countries. As a result of these efforts, various developments could be seen in the form of establishment of the Asia Pacific Economic Co-operation (APEC), the Association of Southeast Asian Nations (ASEAN), the ASEAN Free Trade Area (AFTA), the South Asia Association for Regional Cooperation (SAARC) and some other more innovative types of cooperative efforts such as the Greater Mekong Sub-region (GMS), the Southern China Growth Triangle (SCGT) as well as the Singapore-Johor-Riau Growth Triangle (SIJORI GT).

Despite being so much of dynamism in the developing world, the examples of effective and fruitfulregional cooperation have been few. It is only ASEAN (Association of Southeast Asian Nations) that has functioned on a sustained basis (1). This ten member Association of Southeast Asian Nations(ASEAN), founded in 1967, is considered to be one of the most successful regional grouping in the developing world which has mainly contributed towards regional economic cooperation by maintaining peace, stability and harmony in the region through its various initiatives and programmes.

# II. REGIONAL COOPERATION AND INTEGRATION IN ASEAN

One of the major objectives of ASEAN, as stated in the ASEAN Declaration (2) is to accelerate economic growth, social progress and cultural development in the region and to promote regional peace and stability through abiding respect for justice and the rule of law in the relationship among countries in the region and adherence to the principles of the United Nations Charter (3). This requires a fully integrated ASEAN region, consisting of economies that are growing in an environment of peace and stability (4).

At the ASEAN Summit in Kuala Lumpur in December 1997, its leaders decided to focus on transforming ASEAN into a prosperous and highly competitive region with emphasis on reduced poverty and socio-economic inequalities and enhanced economic growth, and development. It was this vision that got reflected in the ASEAN Vision 2020 in Kuala Lumpur in 1997. For realizing this vision, ASEAN endorsed the Bali Concord II at the 9th Summit of ASEAN in Bali in 2003, which also approved the establishment of the ASEAN Community by 2015 (5).

Economic cooperation was not a prominent factor in the initial years of ASEAN as it was created mainly for security concerns (Benny The Cheng Guan: 2005). There was not much focus on the agenda of increasing regional integration among its members in the initial years of its formation. The 1971 declaration of Zone of Peace, Freedom and Neutrality (ZOFPAN), the 1976 Bali Conference that resulted in the Treaty of Amity and Cooperation (TAC) and Treaty on Southeast Asia Nuclear Weapon-Free Zone (SEANWFZ) were mainly the steps to achieve political security so as to promote peace and stability and ensure security in the region. ASEAN also developed a bigger forum of cooperation in the field of politics and security, which is called the ASEAN Regional Forum (ARF). It was only in the Declaration of ASEAN Concord at Bali, Indonesia in 1976, when the membership of ASEAN was extended to ten countries, that there was some recognition of the role of ASEAN towards increasing regional economic integration and its importance for the overall well-being of its people. In the Western world, the European Community had already moved closer towards economic integration and development through the Treaty of Rome (1957).

At the 12th ASEAN Summit in January 2007, the Leaders affirmed their strong commitment to accelerate the establishment of an ASEAN Community by 2015 as envisioned in the ASEAN Vision 2020 and the ASEAN Concord II, and signed the 'Cebu Declaration' on the acceleration of the establishment of an ASEAN Community by 2015

In the Concord II, the leaders also reaffirmed their commitment to the principles protected in the ASEAN Declaration (Bangkok, 1967), the Declaration on Zone of Peace, Freedom, and Neutrality (Kuala Lumpur, 1971), the Treaty of Amity and Cooperation in Southeast Asia (Bali, 1976), the Declaration of ASEAN Concord (Bali, 1976), and the Treaty on the Southeast Asia Nuclear Weapons Free Zone (Bangkok, 1995).

The adoption to establish the ASEAN Community by 2020 was made in the Declaration of ASEAN Concord II in Bali, Indonesia, on 7 October 2003. At the Bali Summit, the ASEAN leaders declared that the ASEAN Economic Community (AEC) should be the goal of regional economic integration (Bali Concord II) by 2020. In addition to the AEC, the ASEAN Security Community and the ASEAN Socio-Cultural Community are the other two major pillars of the proposed ASEAN Community. All the three pillars are expected to work together for establishing the ASEAN Community by 2020.

Adoption of ASEAN Vision 2020, the Hanoi Plan of Action (1999-2004), and its succeeding Plans of Action, the Initiative for ASEAN Integration (IAI), and the Roadmap for the Integration of ASEAN (RIA) are all strong pillars of ASEAN regional cooperation.

In the Concord II, all the members of ASEAN expressed their belief that they all feel responsible for promoting the socio-economic stability, security and development in the region, based on the principles of non-interference and consensus in ASEAN cooperation. Apart from this, there is also recognition of the inter-dependence of the ASEAN economies and the need for its members to adopt "Prosper Thy Neighbour" policies so as to reduce the development gap and ensure prosperity of the ASEAN region.

The end goal of the ASEAN Vision 2020 is the regional economic integration, which requires the creation of a stable, prosperous and competitive ASEAN region. The ASEAN Economic Cooperation is an effort towards achieving this goal, which promotes free flow of goods and services, capital, flows, equitable economic development and reduced poverty and socio-economic disparities in the year 2020. This cooperation has been further strengthened with the establishment of ASEAN + 3 Cooperation, which include, namely, the People's Republic of China (PRC), the Republic of Korea (Korea) and Japan) which also aims at trade facilitation and narrowing the development gap. There are also possible expansions of the agreement to ASEAN+6 (introducing Australia, India and New Zealand) or other states as well.

According to The Asian Development Bank (ADB): "Regional cooperation and integration (RCI) is a process by which national economies become more interconnected regionally. RCI plays a critical role in accelerating economic growth by abridging the development gaps between member countries through closer trade integration and reducing poverty and economic disparity, raising productivity and employment, and strengthening institutions" . Schmitter (2007) maintains that the correlation between regional cooperation and regional integration is straight and close. The former seems to be a predecessor to the latter and actually forms the foundation for the same. It is necessary to engage first in cooperation in order to build up mutual trust among member participants before diving into the much more risky integration, but the relation between the two seems highly conditional.

ASEAN's development, over the years has been gradual and slow. Though its focus primarily has been on maintaining regional peace and stability but there is a conscious effort to move slowly towards achieving closer economic cooperation and integration. That is why clear goals were set for the region as stated by the Vision 2020, whose ultimate goal is to achieve an integrated ASEAN region.

Regional integration is based upon economic cooperation. The major objective of regional cooperation is to eliminate the cross-border barriers among the member countries by opening their markets to others and promoting free flows of factors of production. ASEAN too has gone ahead with the agenda of enhancing its opportunities for regional integration through enhanced trade and investment linkages, such that it is mutually beneficial to all the member countries.

ASEAN's effort towards growing regional economic cooperation could be noticed with the setting up of ASEAN Free Trade Area (AFTA) through the implementation of Common Effective Preferential Tariff (CEPT) between 5-10% per product basis, both for exports and imports to eliminate trade barriers amongst ASEAN countries. The ASEAN Industrial Cooperation (AICO), which led to several Free Trade Agreements (FTAs) was another step. It also manifested with the setting up of its sub-regional initiatives in the form of 'Growth Triangles' such as the SIJORI-GT, the IMT-GT as well as the BIMP-EAGA, within the ASEAN region.

According to UNESCAP (2004) also...

"Growth, development and stability are closely linked. Although national policies will ultimately decide how these three important variables are managed, the effectiveness of national policies can be significantly enhanced by regional cooperation. Regional cooperation can harness countries' strengths and help to overcome the challenges of globalization. Slow multilateral processes help to spur regional cooperation, which is more effective in dealing with immediate problems. Peace, stability and mutual trust are preconditions for successful regional cooperation.

According to Takeuchi (1999: 123-24), ASEAN's increased interest in regional economic integration is due to the factors such as growing competition for foreign investment and the fear of future exports being affected by the formation of NAFTA and the closely integrated EU as well as the 1997 Asian financial crisis.

The forces of globalization, too, have reasserted the need to go ahead with regional economic integration (Schiff and Winters, 1998). A study by World Bank (2001) shows that more globalized countries achieves higher growth and greater reductions in poverty than those, which are not. According to Masson (2001) also, high rates of growth cannot be sustained without achieving globalization.

By integrating with neighbouring developed economies, the smaller and lesser developed economies or their peripheral parts can gain the benefits of globalisation and improve their position in terms of market access so as to attract foreign direct investment flows, enhance private sector activities and increase economies of scale (World Bank, 2009). Geographic proximity can facilitate economic integration between countries and deeper form of integration, in particular, can best be achieved at the sub-regional level.

This is very true in the case of the SIJORI growth triangle where cooperation with highly developed neighboring city-state Singapore, the adjoining southern states of Malaysia and the Riau island of Indonesia have benefited a lot in terms of improving FDIs, exports and hence their overall growth.

According to (Jorn Dosch, 2007), States that trade with each other are less likely to go to war against each other. This is a very apt example of a liberal peace hypothesis, which is almost as old as the study of International Relations itself. The most popular manifestation of this liberal peace argument in the study of Asian security follows Karl W. Deutsch's (1957) early works on the building of security communities.

The historical evidence too, according to Deutsch, suggests that stable and peaceful relations between neighbouring states are the result of increased transnational activities across multiple areas such as cross-border trade and investments flows, telecommunications, tourism and travel etc. and the related intergovernmental institutional structures. If cross-border transactions continue to increase they will eventually reach a level of institutionalization at which military conflict between states becomes highly unlikely, thereby leading to overall peace, stability and security in the region.

#### III. SUB-REGIONAL ECONOMIC COOPERATION AND THE CONCEPT OF GROWTH TRIANGLES

Ever since the establishment of EEC in the late 1940s and the ASEAN in the 1960s, the need for increased socio-economic co-operation among geographically contiguous countries has emerged as the central feature of the global political economy, which has been further strengthened in the 1990s by the emerging trading blocs such as the EU and the NAFTA. The developing world, mainly Asia has been trying to respond to these developments from time to time and their latest response has now been through the setting up of these "growth triangles".

Promotion of regional economic cooperation to attain high rates of growth is an perenial objective of Asian developing countries. Growth Triangles of Asia are a newer version of regional cooperation, which started emerging by the end of 1980s. This new version did not necessarily involve the entire nations. Rather, it involved parts of the geographically proximate countries. Since the sub-regions were involved in this scheme of cooperation, they were called as the sub-regional growth zones. Though they were given different names but the term 'growth triangles' gradually emerged as one popularly acceptable term.

These growth triangles are formed with limited areas or zones of geographically adjoining states. The important elements are (i) varying levels of economic growth and development, (ii) diverse political systems but social, cultural, linguistic and ethnic ties among their people. All these factors are tapped in such a way so as to achieve cross-border cooperation and integration of their economic activities for mutual growth of their economies.

The idea is to manage resources jointly to develop infrastructure and enhance growth and also to promote peace and stability in the region by jointly tackling cross border issues such as terrorism, labour migration, insurgencies, human trafficking, arms smuggling, drug trafficking, and poaching etc. One of the major objectives of such growth zones is to make the sub-region attractive for the investors who would come and invest in the sub-region. The idea is to promote trade and foreign direct investment flows within the sub-region for the promotion of export activities.

This requires free flow of factors of production as well as goods and services as well as the industrial growth and development of tourism. The presence of these features has actually made the 'Growth Triangle Model' look different from the traditional models of growth. It is this feature of the growth triangle structure that has made it a replicable model (Heng, 2006: 2).

The first two successful growth triangles came up in East and Southeast Asia. The first one came up in East Asia and is known as the Southern China Growth Triangle. The "Open Door" policy adopted by the People's Republic of China in 1979 led to the opening of the Chinese economy to the outside world. The idea was to increase the foreign direct investment in flows and also the trade flows by focusing on promoting exports of its labour-intensive manufactured goods. This resulted in the creation of the Southern China Growth Triangle in East Asia, comprising mainly, of the Chinese provinces of Fujian and Guangdong on the one hand, and the territories of Hong Kong and Taiwan province of China, on the other.

The second one, and the first such successful arrangement in Southeast Asia is the SIJORI Growth Triangle. It involved three geographically proximate areas: (a)the city-state of Singapore, (b) the Johor State of Malaysia, and (c) the Riau Province of Indonesia. This growth arrangement was a clear example of an initiative that was based on using ASEAN's diversity as all the three member constituents' posses different factor endowments resulting in significant factor cost differences. Presence of factors such as comparative advantages, supportive public policy and co-ordination between the national and the local governments in the region have led to the remarkable success of these two growth triangles.

The positive developments in these two triangles led to the setting up of various other similar arrangements in the Asia Pacific region, such as the North East Asia's Tyumen River Triangle, the Greater Mekong Sub region (GMS), the Northern Growth Triangle, also called the Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT), the East ASEAN Growth Area, known as the Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA) and the Cambodia-Laos-Vietnam Development Triangle (CLV-DT), covering border areas of the member countries and their parts. Most of these growth zones, which are a result of the various intra-regional linkages, are in the ASEAN region. According to Kakazu, (1997), these growth triangles are an effort to increase cooperation on a limited geographical space so as to boost investment flows and promote exports.

In contrast to regional trade blocs, these growth triangles are sometimes described as "the localized and a new version of economic cooperation and integration" (Kakazu,1997). He considers them as non-conventional, non-GATT regional- arrangements which are of different form, but not inconsistent with the regional trade agreement such as AFTA or SAPTA.

The idea of enhancing sub-region co-operation through the establishment of these growth zones has caught the attention of both the national governments at different stages of economic development as well as international agencies, which intend to promote sub-regional cooperation as a means to boost national and regional growth. These growth zones have also cut across the national boundaries. Sometimes they have come up as a result of market forces whereas in other cases the government has taken proper initiative to establish them and support them, mainly where it is concerned with the development of the peripheral areas.

Under this form of cooperation, the governments of contiguous territories work together to attract investments into the "triangle" - for example, through joint investment promotion missions, joint infrastructure development and coordination of national investment policies - leaving it to the private sector to decide where the investment should go, according to the competitive advantage of the different areas.

Thus, in the Singapore-Johor-Riau growth triangle, Johor's and Riau's cheaper land and labour are combined with Singapore's human skills, managerial expertise, technology, transportation and communications' infrastructure to attract ASEAN and non-ASEAN investments into all three participating areas. It is, therefore, apparent that the growth triangle is primarily an economic concept but it is backed up by strong political motivations (Mya Than, 1999).

#### IV. DEFINING GROWTH TRIANGLES

Chia & Yuan (1992) give a relatively broad meaning of the growth triangles as:

"...Growth Triangles could be defined as referring to any cooperative development initiative that involves participants from the bordering zones of two or more countries and converts them into relevant spaces for decision-making by local, regional and supra-national authorities..."

According to Kumar (1998: 187), a growth triangle can be defined as a form of regional cooperation between three geographically proximate areas with different factor endowments and comparative advantages that connect in order to form an economically dynamic region. Waldron G Darryl (1997) & Thant & Tang (1998: 25) add that growth triangles are more export-oriented and investment driven than traditional regional cooperation bodies.

According to (Kotler, et. al., 1997), the Growth triangles exhibit the characteristics of micro-linkages, which are geographically contiguous units that are cross border in nature but do not involve the respective national economies. Usually there are three participating members that give it the shape of a triangle but the number may even extend to four or more. In that case, it may be called as a growth zone or a growth polygon.

### V. FACTORS FOR EMERGENCE GROWTH TRIANGLES

There were lot of events responsible for the emergence of these growth triangles in the 1980s. Factors like (i) End of the cold war,(ii)increasing recognition of the limitations of state-led market liberalization measures (Acharya, 1995: 175); (iii) increasing demand for direct foreign investment (FDI) flows,(iv) geographical proximities,(v) cultural and ethnic ties,(vi) presence of economic complementarities and a well developed infrastructure were mainly responsible for the emergence of such arrangements (Kakazu, 1997). Some other important factors such as (i) increasing globalization, and (ii) tendencies to form regional groups at the global level as well as the move by the developing world to protect themselves from the perceived protectionist trends (reflected in both tariff and non-tariff forms) in the developed world (Min Tang and Myo Thant, 1998: 25) were also responsible for the growing move towards sub-regionalism.

Moreover, many developing countries were feeling the need to have more developed infrastructural facilities. This also prompted them to have closer sub-regional ties. It was felt that externalities could be achieved from various joint infrastructural projects, mainly due to geographical proximities, which could result in more efficient use of such projects.

The dramatic shift in the magnitude and nature of foreign direct investment (FDI) flows, which started from 1960s, by the Japanese offshore investors was another very strong reason. Investments were primarily used for manufacturing goods meant for exports, to be sent back to Japan for further exports; a phenomenon which was almost similar to that described as the 'flying geese' pattern by the Asian Development Bank (ADB, 1992). According to Waldron (1997: 1), this pattern of FDIs led to the emergence of those Asian economies, which had significant differences in their factor endowments and levels of economic developments. This also led to strengthening of regional and sub-regional ties.

Last but not the least, the creation of these growth triangles was also seen as an effective strategy to deal with various cross-border issues and overcome various constraints while dealing with such issues.

#### VI. SUMMARY AND CONCLUSIONS

In recent years, the traditional forms of regional cooperation within the Asian region (ASEAN, APEC, SAARC, AFTA etc.) have certainly gained a prominent place among the policy-makers and researchers and their achievement in terms of enhanced economic cooperation and improved trade and investment relations, too, have been quite noticeable. Yet these, non-traditional forms of regional cooperation in the form of growth triangles also have made a significant mark in several parts of Asia. These are very new, with a different approach of regional integration that has arisen in the Asia-Pacific region, which significantly departs from the traditional paradigm of discriminatory trade blocs. Some have seen these growth initiatives to be crucial to the future growth efforts in the Asia-Pacific region.

The established regional blocks such as the European Union have reached a stage where regional cooperation has slowly built up to evolve into an integrated region. ASEAN is also trying to evolve itself towards a fully integrated region. The growth triangles of ASEAN are effective in promoting open regionalism through enhanced intraregional trade and investment linkages, which has helped the region become more integrated. The sub-regional economic zones have flourished by adopting a very unique way of organizing regional growth forces that are based on factors such as geographical proximities resulting in lower transaction costs, similar language and ethnic inter-relationships, resource endowments as well as presence of economic complementarities.

Realizing the benefits of the growth triangle concept at the sub-regional level would allow for prosperity to spread to the less developed areas, thereby, acknowledging the concept of "prosper-thy-neighbour-policy" and promoting the overall peace and stability in the region

#### **END NOTES**

- 1. The Association of Southeast Asian Nations or ASEAN was established on 8 August 1967 in Bangkok by the five original Member Countries, namely, Indonesia, Malaysia, Philippines, Singapore, and Thailand. Brunei Darussalam joined on 8 January 1984, Vietnam on 28 July 1995, Lao PDR and Myanmar on 23 July 1997, and Cambodia on 30 April 1999.
- 2. ASEAN Declaration, also known as theBangkok Declaration is the founding document of ASEAN. Signed in Bangkok on 8 August 1967 by the five ASEAN founding members Indonesia, Singapore, Philippines, Malaysia and Thailand, it states the basic principles of ASEAN such as cooperation, amity and non-interference. 8th August is now observed as the ASEAN Day.http://www.asean.org/news/item/the-asean-declaration-bangkok-declaration, accessed 25 June, 2013
- 3. Charter of the Association of Southeast Asian Nations, ASEAN Web Portal, http://www.asean.org/asean/asean-charter/asean-charter, accessed 27th July, 2013.
- 4. The Declaration of ASEAN Concord II, also known as Bali Concord II, which was endorsed at the just-ended Ninth ASEAN Summit, is a historic step toward regional integration

- 5. The ASEAN Economic Community (AEC) shall be the goal of regional economic integration by 2015. Its key characteristics are: (a) a single market and production base, (b) a highly competitive economic region, (c) a region of equitable economic development, and (d) a region fully integrated into the global economy. In short, the idea is to transform ASEAN into a region with free movement of goods and services, investment, skilled labour, and freer flow of capital.
- 6. The ASEAN Regional Forum (ARF) remains the primary forum in enhancing political and security cooperation in the Asia Pacific region, as well as the pivot in building peace and stability in the region.
- 7. The Treaty of Rome is an international agreement that officially established the European Economic Community (TEEC), on 1 January 1958. It was signed on 25 March 1957 by Belgium, France, Italy, Luxembourg, the Netherlands and West Germany. The Maastricht Treaty in 1993 deleted the word Economic from it. When The Treaty of Lisbon came in force in 2009, it was renamed as the Treaty of the Functioning of the European Union, accessed from the website, http://en.wikipedia.org/wiki/Treaty\_of\_Rome, on the 3rd May, 2015.
- 8. Declaration of the ASEAN Economic Community Blueprint, ASEAN, Jakarta, Indonesia, 2008, http://www.asean.org/archive/5187-10.pdf, accessed 2014-12-24.
- 9. Declaration of the ASEAN Economic Community Blueprint, ASEAN, Jakarta, Indonesia, 2008, http://www.asean.org/archive/5187-10.pdf, accessed 18/03/2015
- 10http://www.asean.org/news/item/declaration-of-asean-concord-ii-bali-concord-ii, accessed 20 /03/2015
- 11 "Bali Concord II, historic step toward regional integration", Beijing Time, Wednesday, October 08, 2003.
- 12. The creation of ASEAN +3 is a step in this direction of further drawing synergies through broader and deeper cooperation in various areas. For details, see Asian Development Bank, Asia Regional Integration Centre, http://aric.adb.org/initiative/association-of-southeast-asian-nations-plus-three-cooperation-on-energy-transport-and-information-communications-technology, accessed 22/04/2015
- 13. John Gilbert, "THE Economic Impact of New Regional Trading Developments in the ESCAP Region" Asia-Pacific Development Journal, Vol. 20, No. 1, June 2013, pp. 1-2.
- 14. ADB, (Asian Development Bank) website, http://www.adb.org/themes/regional-cooperation/main accessed 15th May, 2015.
- 15. Philippe C. Schmitter, "Regional Cooperation And Regional Integration: Concepts, Measurements And a Bit of Theory" European University Institute January 2007, http://unila.edu.br/sites/default/files/07%20REGIONAL%20COOPERATION%20AND%20INTEGRATION2.pdf, accessed November 15, 2014.
- 16. "Regional Cooperation: Conceptual Framework and Asia-Pacific Experience" in UN-ESCAP "Meeting the Challenges in an Era of Globalization by Strengthening Regional Development Cooperation", United Nations, New York, 2004
- http://www.unescap.org/pdd/publications/regcoop/ch2.pdf, accessed 25 April, 2015, P- 23.
- 17. Takeuchi, Junko 1999, "Foreign Direct Investment and Economic Cooperation". In SueoSekiguchi and Makito Noda (eds). Road to ASEAN-10: Japanese Perspectives on Economic Integration. Tokyo: Japan Center for International Exchange: 98-132.
- 18. In "Globalization, Growth and Poverty: Building an Inclusive World Economy" (New York, Oxford University Press, 2001), the World Bank has shown that more globalized developing countries have achieved higher growth rates as compared with less globalized countries and have better track records in alleviating poverty, in general.
- 19. World Bank (2009), World Development Report: "Reshaping Economic Geography". Washington D.C.
- 20. The term 'Growth Triangle' came into common usage after it was used by the then Deputy Prime Minister of Singapore, Mr. Lee Kwa Yuan to describe the evolving sub-regional cooperation between the three countries of South East Asia, namely Singapore, Malaysia and Indonesia (Thant, 1996: 2-3).
- 21. For an extensive analysis of the two growth triangles see Edward K.Y. Chen and Joseph S.L. Lee, 'Southern China growth triangle: an overview'; Sree Kumar, 'Johor-Singapore-Riau growth triangle: a model of sub-regional cooperation'; and G. Naidu, 'Johor-Singapore-Riau growth triangle: progress and prospects'; in: Myo Thant op cit, pp 49-101, 187-229 and 231-255
- 22. Peripheral areas are mainly located far away from the center or larger metropolitan areas. Hence they face various kinds of challenges. Such growth arrangements can effectively utilize the potential that these areas may possess in terms of the natural resources or other factors of production. This is very true of the Mindanao Province of Philippines, which is developing as a result of its inclusion in the BIMP-EAGA. In fact, it is currently one of the main mechanisms being utilized to strengthen the trade and economic linkages of the troubled province of Mindanao (Philippines) with its ASEAN neighbours.
- 23. The concept of Growth Triangles has also been addressed by a number of other terms such as Transnational Export-processing Zones, Sub-national growth zones, Natural Economic Territories etc. But the terms 'Growth Triangles', 'Growth Zones' or more appropriately 'sub-regional Economic Zones' are now the most commonly used terms and will be used interchangeably throughout the analysis.

24. The phase "flying geese pattern of development" was coined originally by KanameAkamatsu in 1930s articles in Japanese, and presented to world academia after the World War II in 1961 and 1962 articles in English. The flying geese (FG) model intends to explain the catching-up process of industrialization of latecomer economies. For more details read Akamatsu, Kaname (1962): A Historical Pattern of Economic Growth in Developing Countries. In: The Developing Economies, Tokyo, Preliminary Issue No.1, pp.3-25.

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