

MAHATHIR

FROM REJAL ARBEE

82 (P)
NEW YORK, SEPT 29 (BERNAMA) -- THE ECONOMIC STRENGTH OF EACH ASEAN COUNTRY WILL HAVE TO BE BUILT UP BEFORE THERE COULD BE A REAL FREE FLOW OF TRADE AMONG THEM, DATUK SERI DR MAHATHIR MOHAMAD SAID HERE TODAY.

THIS WOULD ENSURE THAT THE BENEFITS ACCRUING FROM THE LIFTING OF TRADE BARRIERS WOULD BE MUTUAL AND THE FLOW WOULD NOT BE IN ONE DIRECTION.

THE PRIME MINISTER WAS ADDRESSING A GROUP OF AMERICAN EXPERTS ON ASIAN AFFAIRS AND OTHER INFLUENTIAL FOREIGN POLICY ADVISERS AT A LUNCHEON IN PARK AVENUE YESTERDAY ON THE TOPIC +REGIONAL APPROACH TOWARDS STABILITY+.

HE TOLD THE GROUP OF ABOUT 30 MEMBERS OF THE ASIA SOCIETY AND THE COUNCIL OF FOREIGN RELATIONS THAT THERE WAS NO GREAT HURRY AMONG THE GOVERNMENTS OF ASEAN COUNTRIES AS WELL AS THE BUSINESS PEOPLE TO LIFT TARIFF BARRIERS.

+THE ECONOMIC STRENGTH OF EACH COUNTRY MUST BE BUILT UP FIRST BEFORE THEY OPEN THE FLOOD-GATES. IT IS HOPED THAT AT SUCH A TIME, THE FLOW WILL NOT BE IN ONE DIRECTION ONLY. THE BENEFITS MUST BE MUTUAL, +HE SAID. -- MORE 0940/PA

N089 (F)

MAHATHIR 2 NEW YORK

REFUTING THE FAIRLY WIDESPREAD MISCONCEPTION AMONG FOREIGNERS THAT ASEAN WAS A FAILURE, DATUK SERI DR MAHATHIR SAID THE GROUPING WAS A SUCCESS AS IT HAS BROUGHT ABOUT PROSPERITY AND STABILITY TO ITS MEMBERS.

THERE, HOWEVER, REMAINS THE THREAT TO STABILITY FROM NON-MEMBER NEIGHBOURS HE SAID.

+BUT ASEAN HAS SHOWN THAT ALTHOUGH IT IS NOT A MILITARY GROUPING, IT CAN COORDINATE ITS POLICIES SO AS TO DETER THE KIND OF ADVENTURES THAT COUNTRIES STANDING ALONE AND ECONOMICALLY TROUBLED, ATTRACT, +HE SAID.

AMONG THE COOPERATION DESIGNED BY ASEAN TO WARD OFF THREATS IS THE CONCEPT OF THE ZONE OF PEACE, FREEDOM AND NEUTRALITY (20 PFAN) WHICH REQUIRES THE COOPERATION OF THE BIG POWERS.

THE PRIME MINISTER SAID THAT THOUGH SUCH COOPERATION WAS NOT FORTHCOMING, NONE OF THE BIG POWERS WAS WILLING TO SAY THAT THEY DISAPPROVE OF PEACE, FREEDOM OR NEUTRALITY IN SHOUTHEAST ASIA.

+IN A SORT OF NEGATIVE WAY, ZOPFAN IS WORKING, + HE SAID.

--MORE 0945/PE

MAHATHIR 3 NEW YORK

HE SAID THAT THE FIRST AND GREATEST ACHIEVEMENT OF ASEAN WAS THE EXCHANGE OF MUTUAL EXPERIENCE AND ADMINISTRATIVE KNOW-HOW WHICH HAD LED TO ECONOMIC GROWTH AND STABILITY.

+INDEED, ALTHOUGH THE POLITICAL PROCESSES ARE DIFFERENT, THE APPROACHES AND HANDLING OF PROBLEMS TEND TO BE SIMILAR - THUS ADDING POLITICAL STABILITY TO THE OVERALL PICTURE.

+TODAY THE ASEAN FIVE ARE PROSPEROUS AND STABLE - RELATIVE TO THE REST OF THE WORLD AND CERTAINLY RELATIVE TO THE NEWLY INDEPENDENT COUNTRIES ELSEWHERE, +HE SAID.

DATUK SERI DR MAHATHIR SAID THAT IT WAS AN ACKNOWLEDGED FACT THAT THE ASEAN FIVE HAD ACHIEVED REMARKABLE PROGRESS IN A WORLD WHERE ECONOMIC GROWTH HAD BECOME VERY LIMITED.

HE SAID THE ACHIEVEMENTS IN ECONOMIC GROWTH WAS NOT AN ACCIDENT BUT WAS MADE POSSIBLE BY THE POLICIES FOLLOWED BY THE ASEAN NATIONS, POLICIES WHICH WERE DEvised THROUGH LEARNING FROM EACH OTHER. -- MORE 0955/PA

MAHATHIR 4 NEW YORK

BEFORE ASEAN WAS SET UP, THERE WERE COUNTRIES IN SOUTHEAST ASIA WHICH WERE TEMPTED TO BE ULTRA-NATIONALISTIC ECONOMICALLY. FOREIGN HOLDINGS WERE FORCIBLY NATIONALISED.

+BUT LEARNING FROM OTHER ASEAN COUNTRIES THAT SUCH WAS NOT THE ROUTE TO PROSPERITY, NATIONALISATION WAS DROPPED. ALL ASEAN COUNTRIES ARE NOW BELIEVERS IN FREE TRADE AND FREE ENTERPRISE, +THE PRIME MINISTER SAID.

+FOREIGN CAPITAL IS WELCOME BY ALL. INCENTIVES FOR INVESTMENTS ARE COMMON. JOINT-VENTURES ARE POPULAR.

+ON THE OTHER HAND, INDONESIA TAUGHT THE NEW SOUTHEAST ASIAN OIL-PRODUCING COUNTRIES HOW TO BARGAIN WITH FOREIGN OIL COMPANIES, +HE SAID.

DATUK SERI DR MAHATHIR SAID ALL THESE WERE, HOWEVER, NOT NOTICED OR REGARDED AS ASEAN ACHIEVEMENTS.

+IN THE EYES OF FOREIGNERS IN PARTICULAR, ASEAN HAS FAILED BECAUSE IT HAS NOT BEEN ABLE TO SET UP A COMMON MARKET, +HE SAID.

-- MORE 0958/PA

MAHATHIR 5 NEW YORK

HE EXPLAINED THAT A COMMON MARKET WAS NOT WHAT ASEAN LEADERS HAD IN MIND WHEN THEY DECIDED TO FORM THE GROUPING.

PEOPLE BEGAN TO TALK ABOUT AN ASEAN COMMON MARKET ONLY AFTER THE GROUP WAS FORMED BECAUSE PEOPLE IMMEDIATELY THINK OF THE EUROPEAN ECONOMIC COMMUNITY (EEC) WHEN THEY SAW SUCH A GROUPING, HE SAID.

+FOR A LOT OF PEOPLE, NEXT TO SECURITY, ECONOMIC POWER IS THE ONLY REASON FOR A GROUPING OF NEIGHBOURS.

+FOREIGN BUSINESSMEN SEE IN A GROUPING OF COUNTRIES A SOLUTION TO THE PROBLEM OF DEALING WITH MANY COUNTRIES EACH WITH ITS OWN LAWS AND PECULARITIES,+ HE SAID.

+HOW MUCH MORE SIMPLE IT WILL BE FOR THEM IF THEY CAN GAIN ENTRY INTO A FIVE-NATION MARKET THROUGH ONE COUNTRY THAT THEY ARE FAMILIAR WITH. AND SO THEY WATCH HOPEFULLY FOR EVIDENCE THAT THE CUSTOMS BARRIERS BETWEEN THE ASEAN COUNTRIES WOULD BE BROUGHT DOWN.

+ALTHOUGH THOUSANDS OF ITEMS HAVE NOW BEEN ACCORDED PREFERENTIAL TARIFFS, A REAL BREAKDOWN OF CUSTOMS BARRIERS HAS NOT TAKEN PLACE. ASEAN IS THEREFORE A FAILURE IN THE EYES OF THESE PEOPLE,+ HE SAID. - MORE 1025/BW

MAHATHIR 6 NEW YORK

DATUK SERI DR. MAHATHIR SAID LOCAL BUSINESS PEOPLE, HOWEVER, ENTERTAINED DIFFERENT IDEAS.

+THE ASEAN MEMBER WITH A SMALL DOMESTIC MARKET LIKE SINGAPORE WOULD LIKE TO REMOVE TARIFF BARRIERS.

+BUT THE INDONESIAN BUSINESSMEN AND THE GOVERNMENT WOULD LIKE TO RETAIN THE POTENTIAL OF A 150 MILLION POPULATION FOR THEMSELVES. SO WOULD THAILAND AND THE PHILIPPINES, EACH WITH A POPULATION OF ABOUT 45 MILLION.

+MALAYSIA IS NEITHER HERE NOR THERE. WITH A POPULATION OF ONLY 14-1/2 MILLION, IT STILL MANAGES TO HAVE THE BIGGEST PASSENGER CAR MARKET AMONG THE ASEAN FIVE.

+IT IS COMPARATIVELY A MORE AFFLUENT MARKET,+ HE SAID. - MORE 1028/BW

NC15 (F)
MAHATHIR 7 NEW YORK

TRACING THE HISTORY OF ASEAN, DATUK SERI DR MAHATHIR SAID THE GROUPING WAS SET UP WITH FAIRLY LIMITED OBJECTIVES, CONCEIVED AS A SIMPLE FORUM TO OVERCOME COMMUNICATIONS PROBLEM BETWEEN NEIGHBOURS WHO THEN KNEW LITTLE ABOUT EACH OTHER.

THE FIVE COUNTRIES, THOUGH ETHNICALLY SIMILAR WERE HISTORICALLY AND POLITICALLY DIVERSE, HE SAID.

HE SAID ECONOMIC COOPERATION WAS NOT THE MOTIVE BEHIND THE FORMATION OF ASEAN. NEITHER WAS IT A STRATEGIC CONCEPT DESIGNED TO MAKE THE FIVE NATIONS AN ECONOMIC AND POLITICAL ENTITY TO OVERAWE ITS NEIGHBOURS.

+ASEAN IS SIMPLY A FAIRLY AD HOC SOLUTION TO A COMMUNICATIONS PROBLEM BETWEEN NEIGHBOURS WHO WERE STRANGERS TO EACH OTHER.

+BUT ONCE IT WAS FORMED, MUCH MORE WAS EXPECTED OF IT THAN WAS EVER IN THE MINDS OF THE FOUNDERS. IT IS THIS EXPECTATION THAT MAKES ASEAN SEEM TO FALL SHORT OF ITS OBJECTIVE,+ HE SAID. -- MORE
1025/MK

NO16 (F)
MAHATHIR 8 NEW YORK

DATUK SERI DR MAHATHIR SAID THAT ASEAN AS A REGIONAL GROUPING HAS HAD POSITIVE RESULTS IN TERMS OF ECONOMIC PROSPERITY AND REGIONAL STABILITY.

THE SUCCESS OR OTHERWISE OF SUCH A REGIONAL GROUPING DID NOT DEPEND ON THE CONCEPT OF NEIGHBOURLY COOPERATION ITSELF BUT DEPENDED MORE ON THE WILLINGNESS TO KNOW AND UNDERSTAND EACH OTHER AND ACCEPTING THE SHORTCOMINGS, TO WORK WITHIN THE CONSTRAINTS, HE ADDED.

DATUK SERI DR MAHATHIR THIS MORNING CALLED ON THE UNITED NATIONS SECRETARY-GENERAL, JAVIER PEREZ DE CUELLAR AND ATTENDED A HARI RAYA GATHERING AT THE RESIDENCE OF THE MALAYSIA PERMANENT REPRESENTATIVE TO THE UN, TAN SRI ZAINAL ABIDIN BIN SULONG. -- BERNAMA
1028/MK