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Mahathir-Asean

MAHATHIR INVITES INDIAN PARTICIPATION IN MEKONG BASIN DEVELOPMENT

By: Zainoor Sulaiman

NEW DELHI, Dec 21 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today invited India to invest in regional activities such as the Asean-Mekong Basin Development Cooperation and the sub-regional growth areas.

The eventual expansion of Asean to embrace all the 10 countries in Southeast Asia would provide a large market and wider investment opportunities for Indian companies, he said when inaugurating the First Asean-India Lecture Series at Vigyan Bhavan, the presidential residence and administrative complex here.

Dr Mahathir, who is on a four-day official visit, said with India becoming a full Asean dialogue partner in July this year, both had the responsibility to put new impetus towards creating a strong and mutually beneficial relationship.

While a broad sector of cooperation including trade and investment promotion had been identified, Asean and India should venture into more specific sectors of cooperation such as petroleum and natural gas, agriculture, agro-based technology, biotechnology, power and telecommunications, information technology, railways and roads, civil aviation and financial services, he said.

Asean's total trade with India increased nearly 60 percent between 1993 and 1995 from US\$2.9 billion to US\$4.6 billion with exports exceeding imports.

Asean's investment in India skyrocketed by 420 percent from US\$13.66 million in 1993 to US\$372.73 million in 1995, he said.

"Malaysia, Singapore and Thailand have led Asean's move into India while Indonesia and the Philippines have also begun to invest substantially," he said.

Dr Mahathir also spoke on the need to eradicate the misconceptions and lack of information about opportunities in trade and investment between Asean and India.

"Some Indians perceive Asean markets as being over competitive and on the other hand, many in Asean view India as being too bureaucratic and still uncomfortable with an open economy," he said.

Many entrepreneurs in Asean were unaware of the recent economic reforms in India and thought that trade and investment opportunities remained highly restricted, he said.

Stressing the need to energise the private sector cooperation, the Prime Minister said the private sector should play the crucial role and the governments of Asean and India should strive to build a strong network of private sector cooperation as a parallel framework to government initiated activities.

"This can be achieved by providing the private sectors of both sides with a predictable and conducive framework to come together and explore possibilities of combining their forces and resources in intra- and inter-Asean-India joint ventures," he said.

He said the recently established Asean-India Business Council was a good vehicle for the private sectors from the regions to interact and exchange information and views.

On tourism, he said Asean and India should work on complementing measures to increase their capacity in creating awareness for exchange of information between the tourism sectors of Asean and India.

He said in the area of human resource development, training and fellowship, regular exchanges of visits and programmes between educational institutions and the think-tanks of both regions should be vigorously pursued.

Dr Mahathir leaves for Bangalore, the capital city of the central southern state of Karnataka to visit the Hindustani Aeronautical Ltd (HAL), a major aeronautical industry with 55 years' experience in design, development, production and overhaul of a variety of military and civil aircraft, helicopters, power plants, and avionic and associated systems of both Western and Russian origins.

He will also visit the Bharat Heavy Electrical Ltd and the Indian Space Research Organisation (ISRO) and meet Malaysian students before returning to Malaysia tomorrow evening.

Earlier, when welcoming Dr Mahathir to deliver the lecture, India Foreign Minister I.K. Gujral said the elevation of India's status as a full dialogue partner of Asean was the turning point in relations between his country and the grouping.

It will help give the relations a new emphasis and a creative dimension by providing an institutionalised basis, Gujral added.

The lecture series would help build the relationship as it would be an attempt at direct understanding.

In his remarks, Asean secretary-general Ajit Singh congratulated the Indian government for starting the lecture series.

He expressed confidence that the lecture series would contribute towards greater understanding and draw the two sides close together.

"To keep the momentum of the growth, the Prime Minister has strongly cautioned against Asean turning into a fortress.

He has also strongly advocated that Asean should remain committed to the cause of open-regionalism and be outward oriented, considering the whole world as its market place." he said. -- BERNAMA

MP YBY