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ONLY TIME WILL REVEAL ASEM'S SUCCESS

By: A news analysis by Michael Raj

BANGKOK, March 3 (Bernama) -- The rhetoric of the just-ended landmark Asia-Europe Meeting (ASEM) is still ringing loud and clear, but only time will reveal the real measure of its economic success.

But from the numerous follow-up actions the 10 East Asian and 15 European leaders have agreed to during their two-day informal meeting, there is evidence that ASEM is headed for some exciting possibilities.

And by the second ASEM in London in 1998, it is very likely the two regions could have got down to implementing some tangible and mutually beneficial economic projects.

Prime Minister Datuk Seri Dr Mahathir Mohamad, not one to mince his words, said he was happy with ASEM for it was project oriented unlike some other groupings which stressed on policies, achieving very little indeed.

Kudos also to the leaders for not idling at the starting block, for the first item on the agenda is a conference on European investment in Asia in Geneva on April 1, 1996, to be hosted by the European Commission.

Three months after that, an informal senior trade officials' meeting will be held in Brussels to look at ways to promote economic cooperation, in particular trade and investment liberalisation.

The Summit Chairman Thai Prime Minister Banharn Silpa-archa, in his final statement, said initial emphasis should be on World Trade Organisation (WTO) issues to achieve market access.

Minister of International Trade and Industry Datuk Seri Rafidah Aziz said an EU move for an international investment code, which is outside of WTO, was therefore undesirable, especially if it jeopardised Asian interests.

Dr Mahathir commented that a "level playing field" in trade and investment was invalid if the players involved were midgets and giants, but added that market opening steps were a two-way process.

Another tangible move to keep up the ASEM momentum is the six-month deadline given to Thailand to organise a working group to draft the Asia-Europe Investment Promotion Action Plan.

For starters, it is aimed at boosting European investment in Asia now lagging behind American and Japanese investments, besides identifying opportunities and obstacles to investment.

Also, Paris would host an Asia-Europe Business Forum meeting this year, a step no doubt in the right direction in getting the private sector on board as the onus is on them to make good the leaders' commitments.

To carry the work on economic cooperation further, ASEM economic ministers would meet in Japan next year while a business conference would be held that year with the venue yet to be identified.

Malaysia, meanwhile, has been entrusted with looking into literally bridging the gap between Asia and Europe, for it would coordinate studies on integrating a trans-Asian railway network and linking it with Europe.

This would entail commencement of the railway project of the Mekong Basin Development and study the subsequent possible integration of this rail network with the trans-European railway system.

One of Malaysia's concerns is ASEM would be institutionalised, but good news was in store when the countries, especially those from Europe, insisted on maintaining the informal nature of proceedings as they that felt it achieved much more.

Looking ahead to London and the third ASEM in South Korea, a finance

ministers' meeting is in the works as well as an Asia-Europe Cooperation Framework, that is if the countries agree to it.

Accolades to Thailand and Banharn for a job well done despite the ming-boggling logistics, not to mention the security nightmare in ensuring ASEM got off to a good start, but then again, it is only the beginning.

European Commission President Jacques Santes perhaps capped it best when he said the first ASEM confirms an old truth that "even the tallest tree starts from a small seed".

If Asian and European leaders continue to nurture this relationship, positively and on a mutually beneficial basis, their peoples could very well be able to taste the fruit of their labour in the not too distant future. -- BERNAMA

MR YBY