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Forging ties that bind

MALAYSIA has consistently demonstrated that it values its relations with China, a bond that has gone strength to strength in the 25 years since the historic visit to the country by the late Prime Minister Tun Abdul Razak Hussein in May 1974 which resulted in the establishment of diplomatic ties. And in his 18 years as Prime Minister, Datuk Seri Dr Mahathir Mohamad has visited the East Asian powerhouse five times. The two countries have of course had dealings dating back centuries, and well before the first documented visit by a Chinese official, Admiral Ying Ching, in the 1400s to the Malacca Sultanate. The aim was trade and commerce as the Chinese scoured the South China Sea for business opportunities, and it remained so for a long time, that is until China adopted the Communist system in 1949 following a traumatic civil war. For two and a half decades after that, bilateral interaction was reduced to a minimum and passports issued to Malaysians even specified China as one of the countries which they could not visit. Significantly, ties between the two governments were established at a time when America was losing the war in Vietnam, and the Domino Theory was in currency. China was an outcast and feared by the West for its perceived expansionist designs on the region. Even then, there was no denying or ignoring the fact that the country of over 1 billion people was an emergent economic power. The potential of its vast market, huge resources and industrious people was readily recognised by Malaysia, but perhaps more importantly, there was no reason to doubt Beijing's desire for peaceful, and mutually beneficial, co-existence with the rest of its neighbours.

Through the years, Malaysia's faith has been borne out and rewarded as the Chinese economy gradually opened up to the world and its entrepreneurs also started pursuing investment opportunities abroad. The bilateral relations agreement which Tun Abdul Razak and his Chinese counterpart the late Mr Chou En Lai signed in 1974 was followed by various pacts. This included ratification of a trade agreement in 1988 which triggered a bilateral trade boom which rose from RM2.4 billion to RM15 billion last year. Malaysia shipped some RM7.8 billion worth of goods to China in 1998 and bought an equal amount from the country. And as at September last year, Malaysians had pumped about US\$1.38 billion (US\$1 = RM3.80) in capital investments into China. The two peoples have also grown closer as can be seen from the sizeable increase in exchanges, with about 300,000 people from this country visiting China in 1998, up from 251,000 in 1995. In turn, 263,000 Chinese visited Malaysia during the year compared to 106,000 in 1994.

On its part, Beijing has placed priority on promoting common prosperity and harmony in the region. During the Asian financial and economic turmoil, China steadfastly resisted devaluing the yuan, knowing that doing so would plunge its neighbours, and consequently the entire region, deeper into crisis. Its products as a result lost much of their competitive edge over similar goods churned out by the region's other countries, especially those which had seen their currencies significantly devalued. As for the overlapping claims on the Spratly Islands, Beijing has indicated that it prefers to work out an amicable solution at the conference table, and through negotiations among the claimants without outside intervention, which is precisely Malaysia's position. That there had been more common interests than differences augurs well for ties between the two countries,

more so when China can be expected to play an increasingly crucial role with regards to speaking up for the rights and interests of the developing world. Be it security or economy, Beijing's views have taken on added weight, especially when dealing with the industrialised countries, following the collapse of the Soviet Union.

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