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Asean-Summit

POST-BALI ASEAN SUMMIT TACKLES TERRORISM, ECONOMY-BOOSTING MEASURES

By: Muin Abdul Majid

PHNOM PENH, Nov 3 (Bernama) -- Asean's youngest member, Cambodia, rolls out the red carpet as it welcomes leaders to the 8th Asean Summit beginning here tomorrow with the spotlight expected to be on terrorism, regional security and measures to shore up regional economic fortunes.

It will be a closely-watched two-day affair as the international community looks for clues on how Asean proposes to calm the nerves of foreign investors and tourists in the wake of suspected terrorist bombing on the Indonesian resort island of Bali.

The Oct 12 blast which killed close to 200 people, mostly Australians, had left a deep mark on the collective psyche of Southeast Asian countries as it drove home the point that the region is well within the tentacles of international terrorism.

The grouping of 10 nations comprising over 500 million people has long touted itself as a safe destination for foreign travellers but the Bali tragedy and other terror-related incidents have somewhat dented Asean's multi-billion dollar tourism industry.

Asean member states are understandably upset when a few Western countries issued travel advisories telling their citizens to avoid Southeast Asia where tourism has attracted the crucial dollars since the advent of the 1997 financial crisis.

Asean secretary-general Rodolfo Severino did not rule out the possibility that the summit, to be chaired by Cambodian Prime Minister Hun Sen, might issue a separate statement on terrorism as it sought to allay terrorism fears in the region.

The leaders may also dwell on the announced counter-terrorism centre in Kuala Lumpur, a United States proposal that can spell out a more concerted regional cooperation to fight the scourge.

Nonetheless, Asean has already gained a morale-booster here as it is scheduled to sign with China tomorrow a pact that would help ease tensions on the overlapping claims to the potentially oil- and mineral-rich Spratly islands in the South China Sea, one of the world's major shipping lanes.

Observers noted that the fact that Asean had been able to hammer out with China the Declaration on the Conduct of Parties in the South China Sea would augur well for regional security and the burgeoning ties between the grouping and potentially the world's next economic power.

Furthermore, signalling the strengthening of the Asean-China axis, both sides, which will meet after the Asean Summit here, will ink two more documents -- the framework agreement on the Asean-China Free Trade Area (FTA) and a pact to address security issues including terrorism.

Asean and China yesterday signed a memorandum of understanding on agricultural cooperation, a prelude to the proposed FTA in 10 years which will see the creation of a wider market of 1.7 billion people with a combined gross domestic product of up to US\$2 trillion (US\$1=RM3.80) and two-way trade of US\$1.2 trillion.

Apart from China, Asean will hold separate summits with Japan and South Korea, preceded by a collective Asean+3 summit of the four parties involved.

And, for the first time, Asean will hold consultations at the highest level with India, the world's fourth largest economy and second most populated country, with both sides reported to be exploring the possibility of an FTA.

Increased economic linkages with the South Asian giant can provide a boost for Asean exports to a country of over 1 billion people and formidable economic potentials.

"With its population size, geography and economic development, there is logical reason to believe that the Asean-India economic cooperation will be beneficial for both sides," said Cambodian Foreign Minister Hor Namhong.

India's bilateral trade with Asean is expected to touch US\$10 billion for 2001-2002, with India's exports to Asean countries at US\$3.6 billion and imports at US\$6.4 billion.

Not to be left behind is Japan which, together with Asean, will endorse a declaration towards the establishment of the Asean-Japan Closer Economic Partnership.

Asean and Japan continue to be important trading partners with the trade volume between both sides amounting to US\$108.4 billion in 2001.

With the expanding activities with China, Japan and South Korea, Prime Minister Datuk Seri Dr Mahathir Mohamad, who is leading the Malaysian delegation in Phnom Penh, is expected to talk to his fellow leaders about the establishment of an Asean+3 secretariat in Kuala Lumpur.

Following the reluctance of some member countries to accept the proposal prior to this, the Malaysian leader's persuasive skills will be put to the test as he tries to convince them on the need for such a secretariat outside the existing Asean secretariat in Jakarta.

It has been reported that the three North Asian powerhouses have no objections to the secretariat but they want Asean to reach a consensus on it.

Asean groups Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Thailand, Singapore and Vietnam. Cambodia was the last to join the grouping in 1999.

For host Cambodia, the summit will be a coming-out party of sorts after decades of civil war and violence, including the bloody Khmer Rouge rule from 1975 to 1979 during which some two million people were killed.

With a population of over 12 million, Cambodia, which gained independence from France in 1953, is one of the poorest countries in Southeast Asia and depends heavily on foreign assistance.

Aware of the disparity between the older and the newer members of Asean -- Cambodia, Laos, Myanmar and Vietnam -- the grouping launched the Initiative for Asean Integration (IAI) in Singapore two years ago to narrow the development gap between them.

To reach the objective, the IAI calls for the mobilisation of resources within Asean and acknowledges the need to tap resources from outside the region and from non-governmental entities.

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