

02/05/2004

Friendship beyond trade with Asean

By K. C. Boey

EITHER diplomat extraordinaire Richard Woolcott knew more than he was prepared to say or he was indulging in wishful thinking.

At the lunch that Woolcott hosted as founding director of the Asia Society AustralAsia Centre in Melbourne for Asean Secretary-General Ong Keng Yong, the former head of the Department of Foreign Affairs and Trade spoke of the influence of the bureaucracy.

He who draws up the agenda calls the shots, he mused of the prospect that Asean Plus Three (China, Japan, South Korea) might turn into Asean Plus Five (including Australia and New Zealand).

If Ong knew more at the lunch, where he was the speaker, all he was prepared to say was that he was going back to a meeting of Asean economic ministers where the question of Australia's engagement in the region would be discussed.

The following week, the Asean ministers were to make an announcement that Australians were to see as a break-through for Australia in the region.

On the surface, Ong's flying visit through Sydney, Canberra and Melbourne was primarily celebratory.

Australia was marking 30 years of what Foreign Minister Alexander Downer described as its "dialogue partnership" with Asean.

In Canberra, Downer was launching the publication ASEAN - Australia 30 years of development cooperation.

Ong's visit itself "is a high point in this anniversary year and further underlines the importance Australia places on the partnership that has developed since we became Asean's first dialogue partner in 1974", said Downer.

Downer offered evidence of progress, which has in the main escaped notice. The public focus is on trade. And on that score, the public imagination is of Asean's rebuff of Australia.

Since 1995, there has been talk of linking the two principal trade organisations in the region - the Asean Free Trade Area (Afta) and the Closer Economic Relations (CER) trade agreement between Australia and New Zealand.

The aim has been to expand trade and investment between the two, and to encourage regional economic integration.

Beyond the market potential of Asean's 540 million people, Australians see an Afta-CER link as a stepping stone to the huge consumer markets in China and India, in addition to the advanced economies of Japan, South Korea and Taiwan.

But meetings after Afta-CER meetings have come to nought. Courtesy masked the disappointment among Ong's hosts in his public engagements. Beneath the smiles and glad-handing, and polite questions put to him, the underlying sentiment was "show me the money".

If Ong had an answer, it was not for him to say as a bureaucrat. It was not until the following week that Asean's economic ministers meeting in Singapore signed a communique to "upgrade economic relation" with Australia and New Zealand.

Australian Prime Minister John Howard and New Zealand Prime Minister Helen Clark will be invited to join a summit meeting of Asean leaders in Vientiane in November to launch negotiations on a free trade agreement between Afta and CER.

Much of the news centred on former Prime Minister Tun Dr Mahathir Mohamad, with the media attributing the new development to Dr Mahathir's relinquishing of leadership in Malaysia.

The media had long been convinced that Dr Mahathir had been the stumbling block to Australia's engagement with Asean.

Downer, under repeated questioning, would not be drawn. As he told ABC Radio: "It is often said that Malaysia vetoed Australia. I think it's a bit more complicated than that.

"I think up until some time ago there may have been other countries hiding behind the Malaysian veto as well."

He said the Asean initiative was "an important development ... where the Asean countries are very forthcoming and wanting to build their relationship with Australia and we appreciate it".

Business is delighted. Peter Walsh, chairman of the Australian Services Roundtable, tells the New Sunday Times that while Australia's trade with Asean is at present not in the same league as its trade with northern Asia, there is enormous potential to expand the export of services.

"With the same time zone, close geo-graphical location and strong cultural and education ties, the emerging Asean nations should be high on the list of Australia's trading partners."

"Export of services such as banking, insurance, business and professional assistance, rather than substituting for locally provided services, will enhance the capacity of the developing Asean countries to consolidate and grow their commodity and manufacture-based exports.

"A real 'win-win' for both Australia and the Asean nations." Manufacturer Michael Crouch, one of three Australians appointed by Howard to the Apec Business Advisory Council, is just as delighted.

"The proposed free trade agreement between Australia and the US is a very valued agreement to both nations," he says. "One side benefit to Australia (of an Afta-CER link) is that I am sure Asia will see Australia as a further stepping stone to the US market, and that is healthy for us all."

Downer cautions that the Asean ministers' initiative is just a good first step. "After eight years as the Foreign Minister, I'm only too aware that you have to work away very patiently on diplomacy."

Just as important, for multinational business executive Stephen Braim, is a role for private business to build business-to-business and business-to-government relations.

In doing that, Australian business "must meet (their Asian counterparts) halfway", says Braim of differences in public and business cultures. They are issues Braim has to deal with as government programmes executive for IBM Asia Pacific.

As part of strategies and action to support the services trade, Braim suggests the promotion of what he believes to be Australia's strong skills in Asian languages.

Professor Geoffrey Bishop, president of the Australian-Asian Association of Victoria, couldn't agree more with Braim. Bishop is one of those who believes there must be a broadening of Australia's interest and that of each of the other countries in Asean at the level of the people.

He spoke about broadening the interest on the basis of "human goodwill" at the presentation of the association's annual language studies awards in Melbourne on Thursday.

Bishop at the language awards presentation welcomed the initiative of the Asean economic ministers, but he cautioned against Australia looking at the relationship through trade alone.

"We have to be good neighbours first, working towards the benefit of humanity," obstetrician Bishop told the New Sunday Times.

"Trade without being greedy. The benefits won't come until we improve poverty and education (in the developing economies)."

The language awards for first-year undergraduate students is one way the association promotes this broader interest in Asia. It has been presenting the awards for more than 20 years.

This year 15 students from six universities won awards for the study of Chinese, Indonesian, Japanese, Korean and Vietnamese.

Downer says the broader engagement goes on, beyond Australian aid under the Asean Australia Development Programme worth A\$45 million (RM121 million) over five years.

Bishop acknowledges the support of the Department of Foreign Affairs and Trade for his association's language awards. He would like to see such efforts given more prominence in the public focus.

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