

SPEECH BY: DATO' SERI DR. MAHATHIR BIN MOHAMAD
(PRIME MINISTER)

EVENT: THE 5TH. ASEAN-JAPAN SYMPOSIUM

VENUE: THE HILTON HOTEL, KUALA LUMPUR

DATE: 24 AUG 1982

TIME:

2. This Symposium is being held at a very opportune time, as it will enable the participants to examine the many difficult regional and international issues and challenges of today, facing not only the developing countries, such as those in the ASEAN region, but also the developed world, of which Japan is a prominent member.

3. For the ASEAN countries, the political developments in the region, coupled with the uncertain international economic outlook, impose severe pressures and challenges.

4. ASEAN today is faced with two major problems -- one, the instability and uncertainty caused by the situation in Indochina. In particular, the presence of large numbers of Vietnamese forces close to the Thai-Kampuchea border has destabilised the situation even further. Consequently there has been an influx of refugees from Indochina, although somewhat abated from the crisis proportions of a few years back.

5. The second major problem arises out of the current world recession which has compounded the inflationary pressures we are facing and threatens to retard the industrialisation efforts of the ASEAN countries. The developed countries have opted for protectionism as a panacea for their ailing industries. If this tendency is not checked, not only would the exports of developing countries be affected but their development and industrialisation efforts would be seriously hampered.

6. I am gratified to see that through concerted effort and united stand, ASEAN has largely been able to face these challenges. Since its establishment in 1967, ASEAN, through scientific, has contributed to stability and prosperity among its members. In setting up ASEAN, its founding fathers envisaged the grouping as one that can lessen tension and rivalry within the group while enabling effective regional cooperation in the pursuit of development and group resilience. The ensuing cooperative endeavour of ASEAN, and the recognition and cooperation given to it by its dialogue partners and the international community had further helped to buttress the association as a regional organisation for peace, progress and prosperity in Southeast

Asia.

7. Creating the conditions for national and regional stability is important for ASEAN. While efforts towards strengthening national and regional resilience are being vigorously pursued through its many consultative and joint activities, ASEAN is also mindful of the need to create and promote a stable political environment in Southeast Asia. Consistent with this desire, the leaders of ASEAN declared in November 1971 in Kuala Lumpur, that ASEAN would pursue the creation of a Zone of Peace, Freedom and Neutrality in Southeast Asia. The leaders of ASEAN firmly believe that given their freedom from superpower dominance and interference, neighbouring states could successfully set aside their differences to forge a common purpose and objective to bring about a new international order in Southeast Asia on the basis of mutual respect and co-existence irrespective of their socio-economic systems.

8. Consistent with the principles of the Kuala Lumpur Declaration, ASEAN countries extended the hands of friendship to the new regimes in Vietnam, Laos and Kampuchea. ASEAN states, in quick succession, established diplomatic relations with the Indochinese states to provide the necessary links for a meaningful cooperation with the hope of creating regional stability. Exchanges of visits that followed within the short space of time immediately after the establishment of diplomatic relations which culminated in the visits by the Vietnamese Prime Minister, Mr. Phan Van Dong to the ASEAN countries in 1978, set the ground for new opportunities to lay the basis for meaningful cooperation and peaceful co-existence between ASEAN and the Indochinese countries. But these opportunities were, however, lost when Vietnam intervened militarily and occupied Kampuchea. This she did with the open support of the Soviet Union. Vietnamese military intervention and occupation of Kampuchea had not only violated the principles of international law and the Charter of the United Nations, but also disrupted ASEAN's peaceful move of forging a rivalry has since added to the destabilising of this region.

9. Conscious that such rivalry must be removed from Indochina before any prospect of establishing a durable peace and stability in Southeast Asia can be achieved, ASEAN was more than ever determined to pursue the objective of ZOPFAN. In this context, the central thrust of ASEAN's effort is to work for a political solution of the Kampuchean problem, through the Declaration and resolutions of UN International Conference on Kampuchea (ICK).

10. ASEAN's efforts towards the search for a political solution of the Kampuchean problem will continue to be vigorously pursued. To ASEAN the continued military occupation of Kampuchea by Vietnam, would only invite further interference, domination and rivalry among major powers leading to further instability in the region. It is, therefore, in the interest of Vietnam as well as of ASEAN

that the Kampuchean problem should be quickly resolved. ASEAN's approach to the solution of the Kampuchean problem on the basis of the ICK Declaration and resolutions which called for the total withdrawal of Vietnamese forces in Kampuchea and the exercise of the right of self-determination by the Kampuchean people is aimed at establishing a sovereign, independent and neutral Kampuchea respected and guaranteed by the great powers. Such a solution would exclude external powers' interference and domination. It would also constitute an important step towards the realisation of ZOPFAN.

11. The formation of the Coalition Government of Democratic Kampuchea in June, 1982 under the Presidency of Prince Sihanouk, in ASEAN's view, would greatly contribute to the achievement of a political solution envisaged under ICK. Malaysia, together with its ASEAN partners, are committed to support Sihanouk's Government. In this context, it is our hope that the international community would give their support to strengthen the Government under the Presidency of Prince Sihanouk.

12. It has long been recognised that the political situation in Southeast Asia, directly or indirectly, impinges on Japan's economic and strategic interests. A prosperous and stable ASEAN is important to the maintenance of peace and stability in the region and therefore merits Japan's support. Such support, directed towards the socio-economic development in ASEAN countries, has manifested itself in Japan's increased overseas development assistance (ODA) and private sector investment and Japan is also assisting in the promotion of trade, tourism and intra-ASEAN cultural activities.

13. Over the years relations between ASEAN and Japan in the economic, social and cultural fields have become very close. These relations have been nurtured not only through the regular meetings of the ASEAN-Japan Forum but also at Ministerial level. There is no doubt that Japan's assistance to ASEAN is highly valued. Financial assistance amounting to US\$1 billion has been offered for the implementation of the ASEAN Industrial Projects. These projects are of special significance as they are regarded as important in fostering solidarity, unity and cooperation in the ASEAN region.

14. In the field of trade, ASEAN and Japan have registered yearly increases in terms of value. It showed a substantial increase over the past few years; from US\$20 billion in 1979 it rose to US\$34 billion in 1980 and registering US\$30 billion for the period January to October 1981. ASEAN is in fact Japan's second largest trading partner after the United States.

15. However, it should be borne in mind that the bulk of ASEAN's exports to Japan still comprises raw materials and fuel. Only a mere 7% of ASEAN's exports to Japan are

manufactured products. Needless to say, the continued imposition of non-tariff restrictions have impeded the growth of ASEAN's export of manufactured products to Japan. These measures include quotas, the cumbersome and intricate procedures of the Japanese Industrial Standard Marketing System, the import confirmation system, health requirements for meat and marine products, etc.

16. One positive aspect of Japanese contribution in the field of trade cooperation has been the establishment of the ASEAN Promotion Centre on Trade, Investment and Tourism in Tokyo. This Centre could be made into an effective instrument to further promote ASEAN-Japan economic relations.

17. The potentials for mutually beneficial cooperation between ASEAN and Japan are great. We should therefore use our best endeavours to realise these potentials. ASEAN is a viable organisation and is one of the most successful regional groupings. As such, we in ASEAN feel that the ASEAN grouping can and should play an active role in fostering economic prosperity and political stability in the region. Similarly, Japan as the most economically developed countries has a role to play in contributing towards the continued development and stability of the region. ASEAN and Japan can make a lasting contribution to regional and indeed world peace and stability by working together on the basis of equal partnership and mutual respect.

18. In conclusion, I would like to touch very briefly on Malaysia's policy of 'Looking East.' Since its pronouncement, this 'Look East' policy has been the focus of interest both in this country and Japan, among public and government circles alike. It has also attracted attention from other quarters. Basically, and at the expense of repeating myself, this policy calls on Malaysians to look towards Japan and other rapidly developing eastern nations for inspiration, methods and skills in the attempt to develop Malaysia. We want particularly to emulate and learn from the Japanese the work ethics and attitudes and the management system which we think is the main factor in their rapid growth and industrialisation. Looking East does not mean total Japanization, or a complete break with the West. But it certainly means the almost total dependence on the West will be replaced by a more balanced attitude towards both East and West. Look East also does not mean that we will do business only with the particular countries in the East. We will continue with our traditional trading partners as long as it pays to do so. It should be clear that looking east will not result in the kind of lop-sided policy that we had when we used to "Look West." In fact it will mean a much more equitable policy, in which the best of the East and West will guide the development of Malaysia.

19. It is our hope that in time to come, our people will be inculcated with the same sense of dedication, responsibility and loyalty towards work that we find in the Japanese

people. However, our 'Look East' policy should not just be a one-way traffic. For this, we seek the close cooperation, understanding and assistance not only from the Japanese Government but also from the Japanese public in general in order to make this policy of ours a success.
Thank you.