

ADDRESS BY THE
HON'BLE DEPUTY PRIME MINISTER
AT THE CONFERENCE OF SOUTH EAST ASIAN
OFFICIALS ON TRANSPORT AND
COMMUNICATIONS ON 4TH SEPTEMBER 1967

Mr. Chairman, Your Excellencies, Ladies & Gentlemen,

I join the Secretary-General in extending to all of you, on behalf of the Government of Malaysia, a warm welcome to Malaysia and to this Conference of South East Asian Officials on Transport and Communications. I would also like to take this opportunity to express our thanks to the Consultants who have very generously agreed to give us their time at this Conference. Their expertise will be of invaluable help to us in our deliberations.

You will all have gathered that only last week we celebrated the Tenth Anniversary of our Independence. The country is therefore still in a festive mood. Despite your crowded schedule in the next few days, I hope you will have the time to move around among us and our people in celebrating this happy occasion.

If this Conference is a success, and I am confident that it will be, we will have embarked on yet another important aspect of regional co-operation and development. Indeed, the touchstone of economic statesmanship in this decade has become regional economic co-operation. And this is as it should be. It is all too evident that the quest for accelerated economic development by the developing world will not materialize without more economic co-operation, especially among countries in close proximity to each other.

The obstacles to rapid development are many. Among the most important are, first, constraints which hamper export expansion and, second, our inability to capture the advantages of economies of scale, particularly in the industrial field. Yet the potential exists for overcoming these handicaps through regional co-operative arrangements. We should exploit these to widen opportunities for national development and in doing so, we shall be promoting our mutual development in the region, with all that this implies for greater peace, stability and harmony among neighbours.

In this task, the development of Transport and Communications is of fundamental importance. It is obvious that the promotion of infra-regional and extra-regional trade, and the exploitation of our respective comparative advantages, can only be undertaken through an adequate network of Transport and Communication facilities in the region. Too often in the past we have tended to be inward-looking in the planning of national Transport and Communications facilities. Faced with economic problems demanding urgent attention within our own borders, we may have overlooked opportunities for regional development and the relationship of the Transport and Communications plans of other countries which affect our own. If, therefore, Transport and Communications is to

contribute in a maximum way to national development, co-ordination in planning and implementation is essential.

Co-ordination, however, is easier proposed than carried out. Your participation in this Conference of Officials demonstrates the earnestness and intent of your Governments. But this is clearly only a first step. Effective co-ordination can only be brought about on the basis of an integrated programmed regional Transport and Communications projects. We are fortunate that we have such a programme for Telecommunications. I refer to the plan which has been formulated under the auspices of the International Telecommunications Union or ITU. Our job now is to secure its expeditious implementation. In the transport field, however, no such comprehensive plan exists. I would therefore commend to you the desirability of undertaking a comprehensive Regional Transport Survey to help ensure that the right amount, of the right kinds, of measures will be undertaken at the right time.

I make this proposal to you, however, with a certain amount of trepidation. The need for co-ordinated development of Transport facilities on a regional basis is too urgent to permit us to postpone action until a regional survey has first been carried out. We must resort to interim means of getting the job underway. I am impressed by the amount of work that participating Governments have already undertaken to identify projects requiring regional treatment. I am therefore hopeful that at this Conference, officials acting jointly, will be able, not only to map out the means for achieving co-ordination in the long-term, but that you will also succeed in laying the groundwork for regional treatment of critical, high priority projects with immediate effect.

But good planning is only one aspect of the process. Implementation is another and will probably prove to be the most intractable problem - for lack of finance. In the first place, Transport and Communications facilities are inherently expensive to install. In the second place, given rates of overall economic development are usually accompanied by even greater increase in freight traffic. As a consequence, the number and range of projects needed for the establishment of an adequate network is of such a magnitude that, in a majority of cases, it must lay claim to as much as one-quarter of the total public investment budget. The pressure of Transport and Communication needs on our resources is indeed heavy.

The implementation of Transport and Communication projects on the scale required will therefore be facilitated if resources in addition to that which we may be able to raise locally are brought to bear on the problem. It is my hope, as I am sure it is yours, that the developed countries will favourably consider joining us in a co-operative endeavour. I am, in fact, quite confident that the exercise you will be embarking on at this Conference will serve as a useful instrument for marshalling outside assistance on a global scale.

While assistance in significant amount will go a long way towards laying a strong foundation for economic growth in South East Asia, it is only logical to expect at the same time that great economic benefits will also be generated for potential donor countries. Investment opportunities should increase, while our imports of transport materials and equipment will certainly expand. Moreover, as

our countries are enabled to accelerate the development process, our markets will expand considerably for a wide range of sophisticated capital goods imports.

It is my hope also that in the extension of assistance some innovations will be instituted to meet the urgent requirements of to-day. To be of significant help, it is not merely sufficient that the quantum of aid should be just enough to facilitate the implementation of a minimum programme. A greater degree of far-sightedness is called for, particularly in view of the benefits which will accrue both to recipients and donors from soundly - conceived Transport and Communications projects. Furthermore, I would like to suggest that, having regard to the great number of calls on the severely limited resources of the developing world, many of which are not amenable to foreign financing and to the length of life of Transport and Communications facilities, developed countries should consider giving credit on much easier terms than has been the case in the past.

In the event that you conclude at this Conference that regional co-operation in Transport and Communications is practicable and that we will be in a position to mobilize the necessary wherewithal for this purpose, you will then want to consider the machinery which should be set-up for continuing co-operative endeavours and for the channeling of external assistance for the benefit of the region as a whole. Perhaps the assistance of the Asian Development Bank should be enlisted and utilised. In the first place, the Bank is Asian, with regional co-operation and development as its prime motivation. In the second place, we cannot but be impressed by the competence with which it is being led and managed and by the objectivity and professionalism which it is bringing to bear in its dealings with all concerned. I suggest to you that it would indeed be a significant development if a Special Fund for Transport and Communications in South East Asia were to be established under Article 19(ii) of the Charter of the Asian Bank.

For sure, regional economic co-operation and development are high on Asia's agenda. In the field of Transport and Communications itself, Asian nations with the help of the United Nations Organisation and its Economic Commission for Asia and the Far East have made great strides in facilitating the advancement of these objectives. For example, today, we have a Plan for the construction of an Asian Highway which is in the course of implementation as well as one for the development of an Asian regional telecommunications network. The question before us is what we as immediate neighbours in the region of South East Asia can do together to help implement these plans and to supplement the excellent efforts of geographically larger-based regional and international organisations. This then is the objective of this Conference of South East Asian Officials on Transport and Communications.

The need for regional co-operation and development is too vital and urgent a task for any nation to leave even a single stone unturned in the execution of the task which lies ahead of us. It is incumbent on all of us to seek out areas of mutual development with one another; to secure co-ordinated action with all our immediate neighbours; to relate the plans we develop in this process to those of our more distant neighbours; and then, through our respective regional

organisations, to facilitate harmonised planning and action among all regions of the World. I believe that, through a step-by-step approach, which broadens from the individual country to its immediate neighbours and then beyond, we will be able to facilitate maximum participation by all and maximum development of the resources of the World at large for the benefit of all mankind.