

## **The Kankeiren Asean Management Seminar**

The Renaissance Hotel, Kuala Lumpur 2 March 2000

"Human Resources Development In The 21st Century : Contributing To The Sustainable Development Of ASEAN And Strengthening ASEAN / Japan Relationships"

To our friends from Japan and our good neighbours from Asean countries, who have come to attend the Kankeiren Asean Management Seminar, I bid you Selamat Datang! Welcome to Malaysia!

2. It is most heartening that the Kansai Economic Federation (Kankeiren) has chosen to celebrate the 20th Anniversary of the Kankeiren Asean Management Seminar in two Asean countries, Thailand and Malaysia. We in Malaysia are especially pleased that Kankeiren has opted for Kuala Lumpur as the venue for the Commemorative Symposium with communication satellite link up with Bangkok and Osaka.

3. This technological achievement is truly a sign of the times. And the times are all too clear -- a new year, a new century, a new millennium. Even though Osaka is one hour ahead of Kuala Lumpur and Bangkok is one hour behind us -- you see how Kuala Lumpur is always agreeable to taking the middle road, to playing the role as the balance in matters large or small. Indeed, modern marvels of technology sometimes make our time differences irrelevant. We meet here and communicate across borders with Bangkok and Osaka in real time.

4. On behalf of Malaysians and our Asean neighbours, I wish to congratulate Kankeiren for having had the foresight as early as 20 years ago to inaugurate the first Kankeiren Asean Management seminar in 1980. It's good indeed to see that Kansai people have the same vision as do Malaysians!

5. It is clear that for the past 20 years of Asean's 33 years of existence, Kankeiren and its research organisation, the Pacific Research Exchange Center or PREX have conducted annual seminars focusing on a very essential ingredient for national development. I am referring to the critical area of human resources development.

6. For the past 20 years, PREX has organised human resources development seminars for hundreds of trainees from the Asean countries. As Asean expanded from five to six, and then from seven to nine and eventually 10 members, PREX accordingly increased the intake to accommodate the new members. Not only were management seminars held in Osaka, they were also organised in individual ASEAN countries so that more locals could benefit from the training programmes -- all funded by PREX.

7. Over the past two decades, national PREX Alumni Associations have emerged in the Asean region providing a good network among themselves and with PREX in the Kansai region of Japan. Here in Malaysia, the PREX Alumni

has nearly 130 members.

8. While it is true that Asean countries have benefited greatly from PREX' s programmes, it is also commendable that the management seminars and other human resources development programmes are held in Osaka and other countries throughout the world, for example in Russia, China, Central Asia, and Eastern Europe and Africa. It speaks well of Japan that Kankeiren has been imparting management skills and assisting the developing economies in their transition from centrally-planned to market economies. To date, PREX has trained approximately 1,400 persons in Japan from 53 countries and organised numerous training programmes outside Japan involving about 3,300 participants. I heartily congratulate you on this notable achievement.

9. It has become clear as we enter the new century that, with globalisation and the information technology revolution underway, emerging economies have to meet the great need for capacity building in terms of human resources. The challenge of K-Economy (Knowledge Economy), driven overwhelmingly by information and technical know-how, confronting the Malaysian and other Asean economies must be met head-on if we are to remain competitive. Only with K-Economy in place can these countries enhance their capability for value-added productivity. Therefore, not only will it be necessary to provide training for top management, it will also be imperative to fill the huge gap in the availability of mid-level and lower level knowledge-skilled personnel. It is only when we succeed in systematically upgrading the quality of our labour can we attain higher economic productivity. Kankeiren and PREX can indeed play a positive role in helping transform the Asean economies into knowledge-propelled economies.

10. Along with the Japanese Government' s Official Development Assistance (ODA), the Japanese private sector has also had a long experience of involvement in the development of the Asean economies. As is well- known, trade and investments by Japanese companies in Asean countries have increased enormously since Asean was established 33 years ago. Still for the regional emerging economies, there is a great need for Japan to open its doors wider to absorb more products from Southeast Asia. As Asia' s leading economy, we look to Japan to assume a natural leading role by facilitating our access to its market. It is understandable that in the last decade of economic downturn Japan was unable to be an engine of growth for the regional economies by increasing imports from Asean. However, we hope that with its economy demonstrating concrete signs of recovery, Japanese companies will assist the Southeast Asian manufacturers by increasing imports into the Japanese market.

11. For developing economies looking to Japan (like Malaysia with its Look East Policy), the role of the small and medium enterprises (SMEs) in Japan' s industrialisation process has been exemplary as well as legendary. Although many Japanese SMEs have already come to Southeast Asia, we feel that many more are still needed to assist the budding SMEs in Malaysia, Thailand, Vietnam and other ASEAN countries to enhance their capacity building through skills training and technology transfer. While PREX has conducted training

programmes for SMEs, Kankeiren with a membership of about 850 major corporations and organisations in the Kansai region of Japan could encourage more of the Japanese SMEs to assist those in Southeast Asia by setting up joint ventures with Asean partners. These are critical areas where Japan can strengthen relationships with Asean countries.

12. With a full day' s programme ahead, including a Panel Discussion between three cities, I am confident that you will all have a fruitful Commemorative Symposium. Congratulations once again to Kankeiren on the 20th Anniversary of its Management Seminar for Asean.