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( PRIME MINISTER )

EVENT: THE OPENING SESSION OF THE THIRD MEETING OF THE ASEAN HEADS  
OF GOVERNMENT

VENUE: PHILIPPINE INTERNATIONAL CONVENTION CENTRE, MANILA

DATE: 14 DEC 1987

TIME:

Madam Chairman;  
Your Majesty and Your Excellencies the Heads  
Of Government;  
Distinguished Delegates.

Twenty years ago five countries in South-East Asia came together to establish ASEAN. Nearly four years ago Brunei Darussalam joined the ranks of those countries. Now, the strong commitment of the six countries towards ASEAN has been and will continue to be a dynamic and cohesive regional association of states. ASEAN is indeed a reality in the international system.

2. Within the two decades of its existense ASEAN has been able to build an image of sober inter-regional and international responsibility, maturity and commitment to peaceful development. It has provided the necessary environment for strengthening national and regional resilience which a reessential to development, peace and stability in Southeast Asia. The incertitude that hung in the air during the signing of the Bangkok Declaration in 1967 gave way to confidence and firm resolve among the member countries to enhance regional cooperation as enunciated in the Bali Declaration of ASEAN Concord. That confidence has gained in strength and is again clearly demonstrated here in Manila today. This meeting reaffirms our solidarity and our conviction that ASEAN remains viable for promoting economic development, social progress and peace and security in the region.

3. ASEAN today has brought into sharp focus the vision of its founding Heads of Government, two of whom, I must say with great respect and esteem, are still among us here at this meeting. ASEAN has shown that regional cooperation founded upon political, economic and cultural cohesion can lead to development and progress. This is vital for regional stability and security. Regional cooperation as manifested by ASEAN remains the cornerstone of Malaysia's foreign policy.

4. Since the Meeting of the ASEAN Heads of Government in Kuala Lumpur ten years ago, several important developments

and changes have taken place in the region and elsewhere. These developments have affected the ASEAN countries both individually and as a group in various ways.

5. These developments and changes present both formidable challenges and vast opportunities. I believe ASEAN should and could respond to those challenges squarely. We do not lack the resources. We have the combined potential of more than 250 million people whose creativity and innovative ability are considerable. Given this invaluable asset, it remains only for us to match it with the varied and rapid advances in science and technology to turn the region into a powerhouse of economic and social advancement.

6. The ASEAN countries have the natural resources and productive capacity to venture into many areas of economic activity in order to realise the region's full potential and to truly turn ASEAN into a growth centre for the future. Rightly, there should be no unnecessary barriers to our pursuit of economic cooperation. We must have the political will. For as long as we are clear about those objectives, our will should not wane.

Ladies and Gentlemen,

7. Among the great many changes that we in Southeast Asia have faced in the last decade is the prolonged Vietnamese occupation of Kampuchea. There has also been a new correlation in the strategic interests and military presence of the superpowers in the region. These have presented an unfavourable situation for peace and stability in the region.

8. ASEAN has channelled a lot of its energies into finding a comprehensive durable solution to the Kampuchean problem. Our efforts should never become less than what they have been. Efforts to find a solution to this problem should not aim only at ensuring total Vietnamese withdrawal and the restoration of the independent, neutral and non-aligned status of Kampuchea, but they should also aim at ending once and for all the rivalry between the major powers in the region so that durable peace, understanding and cooperation could, in the long term, prevail for the whole of Southeast Asia. Let Southeast Asia be for Southeast Asians and let the people of this region get on with the job of maintaining peace and stability for the sake of their own development and progress.

9. ASEAN's commitment to the Zone of Peace, Freedom and Neutrality in Southeast Asia, or ZOPFAN, as the ultimate goal for a peaceful and stable Southeast Asia should be stronger now in the light of these changes. It is imperative that further efforts be made to effect the early realization of ZOPFAN. Malaysia, on her part, places great importance on ZOPFAN. We recognise the roles of the major powers, their legitimate interests and their positive

contributions in the region. The legitimate interests and positive contributions of the major powers could be enhanced if Southeast Asia remained free from intra-regional conflict and major power rivalry.

10. For us in Southeast Asia, given the region's history, the successful containment of internal threats to our security remains crucial to our development. Each of our countries face different sets of internal security problems. ASEAN cooperation in the economic areas could positively contribute towards enhancing our national security.

11. Nevertheless, there are problems affecting security that are common to us all. Drug abuse and illicit trafficking is recognised by us as a menace which needs the concerted efforts of the international community to eradicate. The pernicious effects of this menace need not be recounted. ASEAN's resolve on this matter has been an example to all countries in countering this terrible scourge faced by mankind. We must remain steadfast in the fight against the drug menace.

12. For more than a decade the ASEAN countries have been faced with the problem of Indochinese refugees seeking temporary asylum within our borders, pending resettlement elsewhere. Problems such as this unnecessarily complicates our priorities and distract our attention from the more fundamental objectives of regional development and peace and security. Efforts should be continued to find a durable and effective solution, in particular by solving it at the source. Vietnam and Laos should cooperate in this regard.

13. ASEAN has been quite successful in facing the security challenges posed by developments in the region. Our faith in the importance of economic development and social progress as the foundation for peace and security has paid off. Consequently we reject the possibility of ASEAN evolving into a regional collective security arrangement or military alliance. We are able to do this because of our belief that to win friends one should not create enemies. Our major concern, rightly, has been and should continue to be the promotion of ASEAN economic cooperation.

Ladies and Gentlemen,

14. The economic challenges being faced by ASEAN are enormous. ASEAN has been highly dependent on the world market for the sale of primary commodities and a limited range of manufactured products. Since the early 1970s there has been a relatively small though steady increase in intra-ASEAN trade. But intra-ASEAN trade still forms a small proportion of the total ASEAN trade. Therefore, in the circumstances, ASEAN's dependence on external markets will continue, making it more important for ASEAN to be assured of ready access to those markets.

15. The prolonged imbalances in world trade and increase protectionist trends which are becoming pervasive in the international trading environment do not bode well for ASEAN. The United States continues to incur huge trade deficits and would need to restructure to reverse the trend and maintain a balance. The U.S. still provides the largest market for ASEAN. Japan's mounting surplus, which has now firmly established her as the world's largest creditor nation, will not be any good to ASEAN if there are insufficient sustained efforts on Japan's part to liberalise her trading practices and help redress the international trade and monetary situations. The huge debt burden of the developing countries remains a source of instability in the international economic system. The ASEAN countries, being no exception, have been hurt in varying degrees by the spiralling appreciation of major currencies and the unstable exchange rates.

16. We are still far from being out of the woods in respect of the problems of low prices and depressed markets for the world's major commodities. The commodity producing countries in ASEAN have suffered the ill-effects of poor demand, low returns and increasing protectionism in the area of commodities. We face dangerous trends in the developed countries in the form of subsidised agricultural exports, concessional sales and smear campaigns to discredit our products. ASEAN should increase its efforts in safeguarding its long-term interests in the area of commodities. There is now an urgent need for ASEAN to give special emphasis to commodity issues by reviewing and restructuring the ASEAN machinery to accommodate the commodity sector.

17. The list of economic woes affecting practically all countries in the world is long. Calls for restructuring, increased aid, standstill and rollback on non-tariff barriers have been repeatedly made. Various pledges, resolutions and promises have been uttered, articulated and documented. Yet, while we progress towards the threshold of a new millennium, many of the solutions to the problems at hand remain elusive. We may indeed be in danger of coming close to a serious breakdown in the system if the present trends persist. Not only have the gaps in income and standard of living between the North and the South remained wide, there has also been very little narrowing of the chasm that divides the perceptions and views of both sides.

18. ASEAN, as a respected regional organisation, should be capable of contributing towards finding some of the solutions through the intensification of economic cooperation among the member countries, through the dialogue process with the Dialogue Partners and through active participation in the relevant international fora. ASEAN countries can collectively venture into various areas in order to help themselves as well as to contribute towards a more stable and manageable world economic environment. Increased cooperation among the countries in the South could

provide new opportunities for ASEAN.

Ladies and Gentlemen

19. ASEAN has had its share of critics. As leaders of the respective member countries, we have on numerous occasions launched into self-appraisals of ASEAN which quite inevitably conclude in our own grim, uncomplimentary and critical assessments of ASEAN's performance in the area of economic cooperation. But let the critics be reminded that while certain specific programmes in ASEAN economic cooperation may have run into some problems, ASEAN has succeeded in many other areas. ASEAN functional cooperation which encompasses a wide range of issues and activities has indeed enhanced the ASEAN identity. It has certainly increased the awareness and consciousness of ASEAN among the peoples of our countries, and has allowed them to participate actively in many of ASEAN's activities. ASEAN should always be willing to improve, accept new ideas and begin with fresh initiatives to raise the level of cooperation not only among the member countries but also between ASEAN and the rest of the world.

Ladies and Gentlemen,

20. This Meeting of Heads of Government gives us the opportunity to assess ASEAN's achievements and look into the new initiatives that have been carefully worked out over the last few months. I am confident that all of us share the view that ASEAN economic cooperation needs to be intensified. Therefore, we should provide the necessary direction for the future.

21. One of the areas which could be seriously considered is the encouragement of wider participation of the private sector in the activities of ASEAN. In this context, I personally feel encouraged that the private sector had taken a keen and active interest in the preparations for this Meeting. I wish to compliment the Group of Fourteen for its efforts. The Group's contribution has helped to augment the preparatory work carried out by the Ministers and Officials.

22. A lot of attention has been focussed on this Meeting ever since the decision to hold it was made. I believe there are many supporters and critics -- established and potential -- who are watching with keen anticipation for the final outcome of this Meeting. There are no doubt people who understand the nuances and methods upon which ASEAN cooperation is built. However, there are also those who refuse to acknowledge that despite its shortcomings, ASEAN has had many achievements which can easily surpass those of other regional groupings. The path followed by ASEAN has certainly shown that a strong commitment to the values of freedom and independence, and respect for individual entrepreneurship and dexterity bring many benefits to the member countries. In sharp contrast, strict adherence to

narrow ideologically-based objectives preferred by others have clearly shown many signs of failure.

23. I am confident that we can work together in the spirit of ASEAN solidarity and friendship to make this Meeting another important watershed in ASEAN's history. ASEAN owes its peoples a better future.  
Thank you Madam Chairman.