

## ASEAN Heads Of State Meet, Look To Japan For Economic Aid

When the five heads of state of the Association of Southeast Asian Nations (ASEAN) meet this week in Kuala Lumpur, Malaysia for a summit conference, most of their attention will be focussed on the delegation of a non-member nation, Japan.

Japanese Premier Takeo Fukuda will meet with the heads of state following their summit (as will the Premiers of Australia and New Zealand), and follow that up with a tour of the ASEAN countries—Indonesia, Malaysia, Thailand, Singapore and the Philippines—before going on to Burma. The Japanese press is reporting that there already exists a “Fukuda Doctrine” which would seek to link Japan and the raw materials-exporting nations of Southeast Asia in a trade and economic development agreement aimed at industrialization of the region.

With the decline of U.S. direct investment and political-military presence in the region following the Communist victory in Vietnam and Laos, the ASEAN countries have increasingly looked to Japan, already their major trading partner, for the capital and technology on which their development depends. Japanese sources report that Fukuda will offer the ASEAN bloc some \$1 billion in yen credits to support five already designated industrial projects in each of the ASEAN states as the basis for joint regional development. Also on the agenda are ASEAN demands for a variety of trade and tariff concessions from Japan and guarantees of Japanese purchases of ASEAN commodities. Japanese sources report that Fukuda is prepared to offer a EEC-type Lome agreement on trade to ASEAN—a move which, the same sources report, Washington strongly opposes. Malaysian Prime Minister Hussein Onn will also reportedly request Japanese input of \$500-600 million to finance some 20 percent of Malaysia's Third Five-Year Plan when he visits Japan in September.

While economic cooperation—both infraregional and with the advanced-sector powers—is the main subject of the meeting, regional security is also high on the agenda. Extensive pressure is coming from the Carter administration, which is trying to maintain its influence by encouraging a de facto, anti-communist militarization of the grouping aimed at the communist Indochina countries. At least some participants in ASEAN, mainly Thailand and Singapore, are known to favor such an aggressive posture. The Thai regime, dominated by a military junta that took power in a bloody Kissinger-inspired coup last October, has repeatedly sounded the theme of the communist threat, and engaged in provocative acts toward its communist neighbors including the ongoing border clashes with Cambodia. While the Thai regime's acts are largely inspired by its own shaky internal situation, it has been supported in this stance by Singapore's Lee Kuan Yew, who publically complains about the U.S. “abandonment” of the region.

These negative aspects of the ASEAN bloc have encouraged suspicions toward it on the part of Vietnam, which in recent weeks has greeted the summit with mistrust, attacking plans on the part of the U.S. to convert the regional economic grouping to a covert military alliance. While Vietnam has and encourages bilateral relations with ASEAN member states, they refuse to recognize the group as a whole and turned down an invitation to send a representative to the opening of the summit. Vietnamese fears are fed by an upcoming September meeting of ASEAN with U.S. representatives (although this is similar to ASEAN ties to the EEC and Canada), and by the past history of the grouping, which was set up under the direction of World Bank chief Eugene Black in 1967, and during the Vietnam war, ASEAN generally backed U.S. aggression. Similar fears have been voiced about Japan's role in the region; that they are acting as a proxy for U.S. interests.

However, Vietnamese fears need not materialize. The big powers of ASEAN—Malaysia, Indonesia and the Philippines—favor a cooperative approach toward them and other Indochina states, and have been behind the increasing emphasis within ASEAN in favor of a “neutralization” of the region and economic cooperation. Indonesia and Malaysia have been leading participants in the non-aligned movement, and have taken stands against the U.S. debt-collecting policies toward the Third World.

Indonesia is the strongest advocate of non-alignment and a positive approach toward Vietnam. “The Indochina nations are good neighbors and we offer our hand of friendship,” said Indonesian Foreign Minister Malik on Aug. 1, just before the summit meeting. “There is no need for war over a small thing like that,” Malik calmly noted when questioned about the recent Thai-Cambodian border conflict.

The basis for cooperation between the two sets of nations has already been laid by the exchange of trade delegations between Vietnam and Singapore, Malaysia and the Philippines. Malaysia Foreign Minister Tunka Ahmad Rithauden recently paid a highly successful visit to Laos and Vietnam, reaching agreements on various forms of limited economic cooperation. Japan, for its part, has not encouraged an anti-Vietnam stand by ASEAN and has already established extensive economic and trade ties with that country. Other major power centers outside the region who are looked to for development aid, like Western Europe and the Arabs, can similarly contribute to cooperation in the region, which has rich development potential. Such efforts are the best guarantee that the Carter administration's efforts to block regional economic development and provoke tensions will be halted at the borders of the region and a real “zone of peace and neutrality”—the stated ASEAN aim—created.