

**Speech of H. E. President Fidel V. Ramos
24th Asean Economic Ministries Meeting
October 22, 1992**

INTRODUCTION

MR. CHAIRMAN, SECRETARY ROY NAVARRO, THE OUTGOING CHAIRPERSON, MINISTER RAPIDO, YOUR EXCELLENCIES, THE ECONOMIC MINISTERS, YOUR EXCELLENCIES OF THE DIPLOMATIC CORPS, OTHER DISTINGUISHED GUESTS, MY CO-WORKERS IN THE PHILIPPINE GOVERNMENT, OFFICIALS AND DELEGATES, LADIES AND GENTLEMEN.

I HOPE THAT THE BRIGHTNESS OF OUR WELCOME COMPENSATES SOMEHOW FOR THE OCCASIONAL DIMNESS IN THE PHILIPPINES OF SOME OF OUR FACILITIES.

AS YOU KNOW, WE ARE IN RATHER DIFFICULT CIRCUMSTANCES. IN FACT, THINGS ARE SUCH THAT FILIPINOS ARE SOMETIMES CATEGORIZED ACCORDING TO HOW MUCH THEY OWE.

IF YOU OWE TWENTY-EIGHT PESOS, YOU ARE A BEGGAR. IF YOU OWE TWO-HUNDRED EIGHTY THOUSAND PESOS, YOU'RE AN ENTERPRISING BUSINESSMAN. BUT IF YOU OWE 28 BILLION DOLLARS, YOU ARE THE PRESIDENT OF THE PHILIPPINES.

BUT THINGS ARE NOT THAT BAD AND REALLY I WAS EXAGGERATING. FOR JUST THE OTHER DAY, SECRETARY ROY NAVARRO HERE WALKED INTO A SHOP ACCOMPANIED BY HIS AIDE TO CHECK ON PRICES, AND HE SAID: "I DON'T THINK INFLATION IS THAT BAD HERE IN THE PHILIPPINES. LOOK AT THOSE HANDKERCHIEFS -- ONE PESO A PIECE. AND SHIRTS FOR TEN PESOS. AND TROUSERS FOR FIFTEEN PESOS."

AT THIS JUNCTURE, HIS AIDE NERVOUSLY TUGGED AT HIS SLEEVE. "I'M SORRY, MR. SECRETARY." WE'RE NOT IN A MEN'S SHOP. WE'RE IN A LAUNDRY.

BUT SERIOUSLY, LADIES AND GENTLEMEN, THIS 24TH ANNUAL MEETING OF THE ECONOMIC MINISTERS PROMISES TO BE A WATERSHED IN THE HISTORY OF ASEAN. FOR YOU ARE EXPECTED TO DEFINE BOTH THE RANGE AND THE DIRECTION OF THE JOURNEY OUR SIX COUNTRIES SHALL BE TAKING TOGETHER TOWARDS FULL-FLEDGED ECONOMIC COOPERATION.

THIS NEW PHASE OF OUR REGIONAL PARTNERSHIP HAS BECOME BOTH URGENT AND IMPERATIVE. TRENDS IN THE WORLD ECONOMY OFFER US BOTH A CHALLENGE AND AN OPPORTUNITY.

THIS CHALLENGE IS POSED BY MANY OF THE ECONOMIC BLOCS FORMING IN MANY PARTS OF THE WORLD.

HOWEVER, EVEN AS THE WORLD TODAY MAY BE SIGNIFICANTLY DIFFERENT FROM WHAT IT WAS TWO DECADES AGO, THE ASPIRATIONS OF OUR ASEAN FOUNDING FATHERS FOR REGIONAL ECONOMIC INTEGRATION REMAINS PERTINENT AND COMPELLING.

THE OPPORTUNITY IS PRESENTED BY THE CENTRALIZING FORCES PULLING THE GLOBAL ECONOMY TOGETHER. THESE INCLUDE INCREASING INTERDEPENDENCE AMONG NATIONS; AND THE ADVENT OF ELECTRONIC INTERCHANGE, WHICH RAISES BY A QUANTUM LEAP THE EFFICIENCY OF LONG-DISTANCE TRADE.

THE CHALLENGE -- AND THIS OPPORTUNITY -- COMPEL US IN ASEAN TO SHORE UP OUR COMPETITIVE EDGE AND BARGAINING POSITION.

THE PHILIPPINES IS PREPARED FULLY TO DO ITS PART -- BY PUTTING ITS ECONOMIC HOUSE IN ORDER, SO AS NOT TO BE A DRAG ON ASEAN'S BRISK ECONOMIC PACE; AND BY HONORING ITS EVERY COMMITMENT TO ITS NEIGHBORS AND PARTNERS.

MY GOVERNMENT HAS PLACED ITS HOPE FOR ECONOMIC RECOVERY AND SUSTAINABLE DEVELOPMENT NEITHER IN CONTINUED PROTECTIONISM NOR IN STATE CONTROL OF THE ECONOMY BUT IN INDIVIDUAL ENTERPRISE AND AN OPENNESS TO OUTSIDE COMPETITION.

IN THIS SPIRIT, WE SUBSCRIBE FULLY TO THE CONCEPT OF AN ASEAN FREE TRADE AREA, TO WHICH MY DISTINGUISHED PREDECESSOR, PRESIDENT CORAZON C. AQUINO, COMMITTED THE PHILIPPINES IN SINGAPORE LAST JANUARY.

OUR MEDIUM-TERM DEVELOPMENT PLAN FOR 1993-98 INCLUDES PROGRAMS TO REDUCE MASS POVERTY TO HALF ITS PRESENT LEVEL; REDUCE INCOME INEQUALITY, GENERATE INDUSTRIAL JOBS, AND EXPAND INVESTMENTS IN EDUCATION, HEALTH CARE, SOCIAL SERVICES AND SKILLS-TRAINING FOR OUR PEOPLE.

IN THIS WORK WE HAVE NO ROOM FOR THE KIND OF BEHAVIOR SHOWN BY THE MAN WHO SAT IN A BOAT, BORING A HOLE UNDER HIS SEAT. HE SAID, "DON'T WORRY SHIPMATES." HE ASSURED HIS FELLOW-TRAVELERS. "IT'S ONLY MY SEAT, NOT YOURS."

IN ALL OF THESE, WE LOOK TO OUR RELATIONS WITH OUR ASEAN PARTNERS -- AND WITH THE WIDER WORLD -- AS A PILLAR OF OUR NATIONAL DEVELOPMENT.

CLEARLY THERE ARE CONSIDERABLE OPPORTUNITIES FOR ASEAN TO TAP MORE FULLY IN THE WORLD ECONOMY. OUR ECONOMIES SHOULD GRASP THESE OPPORTUNITIES AS THEY DEVELOP.

AND HOW DO WE PREPARE OURSELVES FOR THEM?

FIRST, ASEAN MUST BUILD A STRONGER BASE FOR INTERDEPENDENCE. IF WE DO NOT CONVERT INTO INTERDEPENDENCE THE EXISTING CHAIN OF COOPERATION THAT HAS BROUGHT OUR ECONOMIES TOGETHER, THEN OUR SEPARATE COUNTRIES -- EACH ONE ALONE -- SURELY WILL NOT STAND UP TO THE COMPLEXITIES AND INTENSE COMPETITIVENESS OF THE WORLD ECONOMY.

SECOND, ASEAN MUST CONTINUALLY ENHANCE ITS ATTRACTIVENESS FOR FOREIGN INVESTMENT.

WE MUST KEEP UP THIS FLOW; LIKEWISE, OUR HEALTHY COMPETITION FOR FOREIGN INVESTMENTS INTO

OUR NATIONAL ECONOMIES.

THIRD, ASEAN MUST CONTINUE BUILDING UP ITS INDUSTRIAL INFRASTRUCTURE. ASEAN HAS A LARGE AND DIVERSE RANGE OF MINERAL, AGRICULTURAL AND OTHER RESOURCE-BASED PRIMARY PRODUCTS AND RAW MATERIALS, ON WHICH STURDY INDUSTRIAL INFRASTRUCTURE CAN BE BUILT. THIS IN TURN WILL ENCOURAGE THE GROWTH OF PROCESSING INDUSTRIES.

FOURTH, ASEAN MUST NURTURE INTERMEDIATE AND SUPPORTING INDUSTRIES TO CONVERT PROCESSED PRIMARY PRODUCTS. THESE INDUSTRIES CAN SERVICE NOT ONLY A REGIONAL BUT AN INTERNATIONAL NETWORK OF INDUSTRIES.

FIFTH, WE MUST PROMOTE OUR SMALL AND MEDIUM SCALE ENTERPRISES. THESE INDUSTRIES WILL NEED TIME AND SUPPORT TO ADJUST. BUT GIVEN THE PROPER SUPPORT, THEY WILL SURELY PROSPER UNDER A MORE LIBERAL AND OPEN ENVIRONMENT.

SIXTH, ASEAN MUST DEVELOP SERVICE INDUSTRIES -- PARTICULARLY IN MANAGEMENT, FINANCE AND INFORMATION.

FINALLY, ASEAN MUST INVEST MORE INTENSIVELY IN THE DEVELOPMENT OF ITS HUMAN RESOURCES.

THE FRAMEWORK AGREEMENTS AMONG THE HEADS OF GOVERNMENT ON ENHANCING ECONOMIC COOPERATION HAS LAID THE BASIS FOR ACHIEVING THESE URGENT TASKS. SO LET US WASTE NO TIME IN PUTTING THESE POLICY AGREEMENTS INTO MOTION.

I AM CONFIDENT THAT WHATEVER YOU AGREE IN THIS CONFERENCE WILL WORK TO OUR MUTUAL ADVANTAGE. I AM JUST AS HOPEFUL FOR YOUR SCHEDULED DIALOGUE WITH JAPAN'S MINISTER OF INTERNATIONAL TRADE AND INDUSTRY AND HIS TEAM.

THE FUTURE OF ASEAN WILL DEPEND NOT ONLY ON PROMOTING THE INTEGRATION OF OUR ECONOMIES BUT ALSO STRENGTHENING OUR RELATIONSHIPS WITHIN THE BROADER COMMUNITY OF NATIONS.

ASEAN SHOULD TAKE A LEADERSHIP ROLE IN ENHANCING THESE RELATIONSHIPS THROUGH COOPERATIVE EFFORTS IN REDUCING BARRIERS TO TRADE, INVESTMENT, AND TRANSFER OF TECHNOLOGY AND IN DEVELOPING OUR PRECIOUS HUMAN RESOURCES.

THROUGH AFTA, ASEAN CAN OFFER A DYNAMIC AND GROWING MARKET TO POTENTIAL INVESTORS AND, WITH IMPROVED ECONOMIES OF SCALE, ASEAN INDUSTRIES COULD PARTICIPATE MORE FULLY IN GLOBAL PRODUCTION.

THE IMPLEMENTATION OF AFTA CHARTS THE FUTURE DIRECTION OF INTRA-ASEAN ECONOMIC COOPERATION. IT WILL HAVE FAR REACHING IMPLICATIONS ON MANY OF OUR ECONOMIC UNDERTAKINGS WITHIN THE NEXT 15 YEARS. THEY WILL NOT ONLY WIDEN INTRA-ASEAN TRADE AND INDUSTRIAL INTEGRATION AND HARMONIZATION, BUT WITH THE PRESSURE OF FREER TRADE, THIS WILL ALSO PUT THE DISCIPLINE OF STRONGER COMPETITION ON OUR PRODUCTION SECTORS.

THE CHALLENGE TO US IN GOVERNMENT THEREFORE, IS IN ACCELERATING THE EFFORTS TO PROVIDE THE STRUCTURE AND MECHANISM THAT WOULD SUPPORT THE TRANSITIONAL ADJUSTMENTS OF OUR DOMESTIC INDUSTRIES. WE SHOULD PROVIDE FOR A STABLE AND SUPPORTIVE POLICY ENVIRONMENT AND THE NECESSARY INFRASTRUCTURE THAT WOULD FACILITATE THE FREER MOVEMENT OF GOODS. WE SHOULD ALSO PROVIDE THE APPROPRIATE FISCAL AND FINANCIAL POLICIES AND REDUCE RED TAPE WHICH ACTS AS PHYSICAL BARRIERS TO TRADE.

IN THE FACE OF THESE DEVELOPMENTS, WE CANNOT OVER-EMPHASIZE THE IMPORTANT ROLE OF AN INVIGORATED AND ENHANCED ASEAN SECRETARIAT. CHANGES IN THE ASEAN STRUCTURE AND ORGANIZATION ITSELF WOULD ENSURE THAT DECISIONS ARE MADE EXPEDITIOUSLY AND ACTIONS IMPLEMENTED EFFECTIVELY.

EQUALLY IMPORTANT, THE ASEAN MECHANISM SHOULD ENSURE THAT THERE WOULD BE A BROAD-BASED PROCESS OF CONSULTATION AND THAT THE FRUITS OF OUR LABORS ARE SHARED EQUITABLY ACROSS THE BROADEST SPECTRUM OF OUR NATIONAL SOCIETIES.

AND MORE THAN ANYTHING ELSE, THE ASEAN MECHANISM SHOULD ENSURE THAT WE MAINTAIN A CONTINUOUSLY HEALTHY RELATIONSHIP WITH THE REST OF THE WORLD, ESPECIALLY WITH OUR DIALOGUE PARTNERS AND WITH THE EMERGING REGIONAL GROUPINGS. WE ALL NEED EACH OTHER FOR OUR SURVIVAL.

WE SHOULD NOT BE CAUGHT OFF-GUARD. FREE TRADE ARRANGEMENTS ARE BEING UNDERTAKEN IN OTHER PARTS OF THE WORLD TO CREATE GREATER COMPETITIVE ADVANTAGE. ASEAN SHOULD THEREFORE KNOW HOW TO PLAY THE GAME AND WIN.

FURTHER, OUR ESTABLISHMENT OF AFTA, SHOULD NOT BE REGARDED AS A SUBSTITUTE FOR THE MULTILATERAL APPROACH TO TRADE NEGOTIATIONS IN MOVING THE WORLD TOWARDS A MORE OPEN GLOBAL ECONOMIC SYSTEM. WE MUST BUILD ON OUR COMMITMENTS TO PUSH FOR A SUCCESSFUL CONCLUSION OF THE URUGUAY ROUND AND THE FURTHER STRENGTHENING OF THE MULTILATERAL GATT SYSTEM.

THE SUCCESS OF THE URUGUAY ROUND WILL BRING AN END TO THE FALLACY OF SEEING AFTA AS MERELY A COUNTERVAILING FORCE AGAINST THE EUROPEAN COMMUNITY OR NAFTA OR ANY OTHER BLOC. AFTA SHOULD BE PURSUED BECAUSE OF ITS OWN ECONOMIC MERITS. THE PRAGMATIC APPROACH OF IMPLEMENTING AFTA THROUGH CONSECUTIVE TARIFF CUTS OVER 15 YEARS SUGGESTS THAT THE "OWN MERIT" VIEW NOW PREVAILS IN ASEAN POLICY MAKING.

YOUR MISSION, LADIES AND GENTLEMEN, IN MANILA IS TO LAY THE FOUNDATION FOR GREATER INTER-ASIAN TRADE; THE ESTABLISHMENT OF JOINT VENTURES BETWEEN THE EAST ASIAN TIGER-ECONOMIES AND OUR OWN; AND THE TRANSFER OF MODERN TECHNOLOGY TO OUR WORKERS.

THE JOB IS A TREMENDOUS ONE. BUT SO ARE ITS POTENTIAL REWARDS -- THE RISE OF AN EAST ASIAN ECONOMIC BLOC COMPARABLE TO THOSE OF EUROPE AND NORTH AMERICA BY THE YEAR 2000.

EVENTS IN THE WORLD COMPEL US TO URGENCY IN THIS WORK OF BINDING OUR ECONOMIES CLOSER TOGETHER. SO LET US CLOSELY MONITOR, ANALYZE AND TAKE ACTION ON THE GROWING RAPPORT BETWEEN

JAPAN AND CHINA AND BETWEEN CHINA AND TAIWAN. IN BOTH SITUATIONS, ECONOMIC PRAGMATISM NOT POLITICAL FACTORS, APPEAR TO BE THE LEADING CONSIDERATION.

I DO NOT UNDERESTIMATE THE MAGNITUDE OF THE JOB BEFORE YOU OVER THESE NEXT FEW MONTHS. BUT YOU THE ECONOMIC MINISTERS HAVE BEEN PUT IN CHARGE, BECAUSE YOU ARE KNOWN TO REGARD SITUATIONS IN TERMS NOT OF PROBLEMS BUT OF SOLUTIONS.

THOSE OF YOU WHO LIKE TO BET WHEN YOU PLAY GOLF MUST KNOW THE SAYING: "DRIVE FOR SHOW, PUTT FOR THE MONEY."

THE LENGTH OF YOUR DRIVE MAY DRAMATIZE THE STRENGTH OF YOUR GAME. BUT IT IS THE DIRECTION OF YOUR APPROACH AND THE PRECISION OF YOUR PUTT THAT WINS YOU THE MATCH.

THE GOLF METAPHOR EXPRESSES APTLY THE RELATIONSHIP BETWEEN THE POLITICAL LEADERS WHO DRIVE AND THE ECONOMIC MINISTERS WHO PUTT.

WE THE POLITICIANS -- FOR PEOPLE WILL AGREE TO CALL US "STATESMEN" ONLY AFTER WE'RE DEAD -- ARE THE MOST VISIBLE ON THE STAGE OF SOUTHEAST ASIA.

BUT IT IS YOU THE ECONOMIC MINISTERS -- WITH YOUR QUIET WORK AND YOUR EXPERTISE -- WHO SHALL BRING TO OUR COUNTRY, TO ASEAN, TO THE CONDITION OF SUSTAINED PROSPERITY TO WHICH WE ALL ASPIRE. WE CAN DO IT. LET'S ALL DO IT.

ON BEHALF OF THE FILIPINO PEOPLE AND MY GOVERNMENT, I COMMEND YOU FOR YOUR DEDICATION; AND, I WISH YOU SUCCESS.

THANK YOU AND MABUHAY!

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