ADDRESS BY LEE KUAN YEW, PRIME MINISTER OF SINGAPORE, BRUSSELS, 1 DECEMBER 1972

PEACE AND STABILITY THROUGH TRADE AND FINANCE IN EAST AND SOUTHEAST ASIA

Mr. President, Your Excellencies, Ladies and Gentlemen,

When I accepted the invitation to speak at this conference, I did not know that I was to speak at dinner. It would have been difficult enough to speak during the day to a knowledgeable and sophisticated audience. Any pleas for increased communion with the Third World, in particular, distant places like Southeast Asia, might have invoked only polite applause. Worse, being asked to speak at the end of a long day, I would have to be informative and amusing, a formidable task for which I am poorly equipped.

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I concluded, however, that the Director-General of the Institute wanted to be kind. He knew Europeans were disappointed with the Third World which they had set free. With Americans and, much later, the Japanese, they have had to give aid to their former colonies, but with meagre results, and little

appreciation. Effective administration and honest governments are not universal features of new countries. But some Europeans and Americans still feel embarrassed over their imperial past. So it was best if a representative of the Third World were to speak after the tranquilising effect of good cuisine and excellent wine.

The past is history. Nearly 500 years ago, the Europeans sailed into the Indian and Pacific Oceans and opened up Asia.

The first Europeans to lead organised expeditions to the East were the Portuguese. In 1486, Diaz discovered the Cape of Good Hope. Vasco da Gama followed. When he sailed into Calicut, India, in 1488, he said he sought "Christians and spices". But what brought him there by sea was the disruption of the trade routes between Europe and Asia through the Middle East. In the 14th and 15th centuries, the rising power of the Ottoman Turks had made the land route hazardous.

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For nearly the whole of the 16th century, the Portuguese remained the dominant naval power. Lisbon replaced Venice as the emporium in Europe for spices and silks of the East.

In 1595, the Dutch despatched their first and successful expedition to the East Indies. Within six years, 65 Dutch ships had gone out establishing factories all over Southeast Asia -- Patani, Grisek, Johore, Amboyna, Acheh, Ternate. The Portuguese were largely displaced.

In 1600, the British East India Company was founded; in March 1602, the Dutch East India Company; in 1664, the French East India Company.

The last of the colonialists in Southeast Asia were the Americans. After a battle in 1898, Spain, which had first colonised the Philippines in 1565, surrendered it to the Americans. But, having got to the East Indies, they all wanted to get to fabulous Cathay.

Against 4,000 years of continuous, and continuing civilisation in East Asia, and 3,000 years in South Asia, 450 years of European intrusion is but a brief interlude. But they have left behind an indelible mark on Asia and Asians. I do not know if memories of empire still haunt the minds of older Europeans. I do know that, in many parts of Asia, the older generation now believe that the colonial past was not so bad after all. The younger generation have little time for recrimination or regret. They are too busy trying to catch up with the developed world, and are finding the going tough.

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A Western historian [1] has estimated that, before the Second World War, Europe's annual imports from the U.S. amounted to US$500 million more than her exports. The greater part of the funds to balance this account was provided by Southeast Asian trade.

In each case, the European metropolitan country vertically integrated the economies of its colonies with its own. Just before the Second World War, in the Netherlands East Indies, 75% of foreign capital was Dutch; [2] in Indo-China, 97% French; [3] in Malaya and Singapore, 70% British. [4]

The Americans, as latecomers in the Philippines, had to be content with 52% of foreign investments. The Spaniards hung on to some 29%. [5] In Thailand, Britain was the chief investor in business enterprises and the chief holder of her foreign debt, whilst providing Thailand with her greatest market. [6]

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But the metropolitan power brought in capital, new knowledge and new methods of organisation and commerce. Harbour, roads and railways were built. The Europeans replaced forests with plantations to feed metropolitan Europe's factories. They built up a small educated class. Whole populations had better public health and medical facilities.

The colonial phase came to an end in December 1941 when the Japanese attacked Southeast Asia. After Japan's defeat, it was impossible to re-establish imperial authority.

With independence, trade and investment links changed. External trade and foreign investments of the countries of Southeast Asia became diversified.

Leaving aside the war-torn countries of Indo-China, with the exception of the Philippines, (A) the former metropolitan powers have lost their economic dominance.

In post-Sukarno Indonesia, (B) E.E.C. Nine investments accounted for only 7.5% as against the U.S.'s 32.5% and Japan's 17.2%. Holland accounted for only 2.3%.

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In Singapore, (C) E.E.C.'s share of investments declined from 54.2% in 1965 to 38.9% in 1972. U.K. investments declined by over a third. But American investments more than doubled in the same period. In West Malaysia, (D) for recent years American and Japanese investments jointly exceed those of E.E.C. plus Britain, Ireland and Denmark. For Thailand, (E) Japanese and American investments together were 3½ times E.E.C. investments.

As for trade, in 1938, US$546 million or nearly 30.2% of total Southeast Asian trade was with the E.E.C. Nine, (F) over 22.0% with the Americans, (G) and about 7.4% with the Japanese. (H) By 1970, Southeast Asian trade with the E.E.C. Nine had been reduced by nearly one-half in percentage terms to 15.9% (US$2,412 million), (F) whilst the Japanese had increased their share of Southeast Asian trade by over 3½ times to 25.5%. (H) American trade went down marginally, by one-quarter from 22.0% to 17.0%. (G) (See diagrams I and II.)

In each former colony, the metropolitan power was the biggest loser against intrusions of, first, the Americans, and, then, the ubiquitous Japanese. Even Germany and Italy, which had no colonies in the area, increased their trade with Southeast Asia. 7

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What is pertinent is how small this trade was to total E.E.C. trade. Over 187 million people in the E.E.C. (in 1.2 million sq. kilometres) of the Six in 1970 had a total trade of US$1.6 billion with over 257 million people of Southeast Asia (I) (in 3.4 million sq. kilometres). It was only 0.9% of E.E.C. total external trade of US$177.5 billion. But it was more than one-tenth (10.7%) of Southeast Asian total trade. (F)

Similarly, trade between the E.E.C. Six and Yaounde Convention countries. (J) The total, US$3.1 billion, was 1.8% of E.E.C. total trade, but nearly 67% of total trade of Yaounde Convention States. [8] So too trade between the E.E.C. Six and the Arusha Agreement states was US$246 million, 0.1% of E.E.C. trade, but 16.5% of Arusha trade.(K)

Meanwhile, intra-E.E.C. trade has gone up by over 500% from 1958 to 1970.

The E.E.C. is a powerful economic bloc and will become more so with Britain's entry. But, in military terms, this is still a bi-polar world, unless Britain and France are prepared to pool their nuclear technology and transfer huge funds from social and economic to nuclear purposes. Perhaps, within 20 years, when China has developed a credible second strike capability, even without a first strike capability, it will become a tri-polar world. Meanwhile, in economic and political terms, there are in fact five major power blocs -- America, Russia and Comecon, the Europe of the Nine, Japan and China. (I)

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In a world made ever smaller by Western inventions in communications and transportation, issues of peace and war, and of trade and finance, are indivisible. The first gesture of the new friendship between America and China

was the lifting of the trade embargo on a whole series of items. In November, the ban on American ships and chartered aircraft going to China has been lifted. With the SALT agreements, greater direct trade on enlarged credit terms between America and Russia is one of the important collateral results. Europe is keen on trade with China, and trade with, especially exports to, Japan. Can it be unprofitable to trade with, and even manufacture in Southeast Asia which lies directly on the sea lanes to East Asia?

Tonight, I shall allow myself the luxury of speculating on the future.

My first assumption is that there is no nuclear conflict between the super powers, no pre-emption by Russia on China. Then nuclear rationally will prevail in China, as it has done in America and Russia. Any other supposition leads to such pessimistic conclusions that it is not worth speculating

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Then, it is in the interests of all the five economic power-groups to maintain peace, order and stability in the world. If there are no major wars between the major powers, then, is self-sufficiency in economic "blocs" the most fruitful system for all?

Is it in the interests of the non-Communist world that it should be compartmentalised in self-sufficient economic blocs? Can Europe of the Nine afford to have close links only with the rest of Western Europe, with the Mediterranean Basin and Africa in a special relationship: wealthy, self-sufficient and self-satisfied?

What of Japan? Is it possible for Japan to achieve self-sufficiency without changing her boundaries -- a proposition dangerous for the peace of the world? Even an attempt at a Japanese economic bloc could turn Southeast Asia into a dangerous area of conflict. Can Japan survive as a powerful economic super-state without an American nuclear umbrella? Or, if this nuclear umbrella is not credible, will not Japan go for a second strike capability and make this a more dangerous world?

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And, can Europe survive as a powerful economic and political bloc if there is no NATO with a credible American commitment?

So, one must hope that, though the present economic blocs will remain, enlightened national and bloc interests will lead to ever freer trade, by lowering of tariffs, and removal of non-tariff barriers, and not only between America and Western Europe. The Japanese are learning that they have to exercise their ingenuity in ways other than making it impossible for Europeans and Americans to sell to, or invest in Japan. Their new Prime Minister, Mr. Tanaka, has publicity displayed realisation of this, that trade and investments must be reciprocal. With the Japanese, however, old habits die hard, and from Prime Ministerial recognition to bureaucratic change in policy, there may be quite an interval. Even so, the era is over, when trade for Japan meant the export of finished products, the result from the imports of technology from the developed West, and raw materials from the under-developed South and Southeast Asia.

If transportation costs have not inhibited Japanese exports to Europe, neither should they inhibit European exports to Southeast Asia, Japan and China.

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For specific middle-technology products, with high labour and skill content, Europeans can fight back by judicious selection of sites in East and Southeast Asia for offshore manufacture. For there are several urban centres where there is political stability and the industrial climate is good, with labour skills as high as, and costs lower than, those in Japan. And when Suez is re-opened one day, it will stimulate trade between Europe and Asia as its first opening did in 1869.

The high growth rates in developed countries in the 1950's and 1960's, reflected also in their external trade, were partly due to the rehabilitation of Western Europe and Japan. Fundamental technological innovations, like the jet engine, nuclear power, petrochemicals and electronics, were in large measure the spin-off from military research and development during and after the last war. They stimulated consumer demanded and increased trade.

It has been suggested that one of the reasons for the slow-down in economic growth and in world trade, is that most of these new industries have reached maturity. As more countries produce goods which had been the preserve of one or two, exports are becoming a "zero sum" game. Instead of more exports stimulating more imports and expanding trade, an increase of the share of total exports by any major country diminishes the share of the rest. Hence the tendency to protectionism.

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Research on rocket and space programmes has not led to a spin-off in civilian user, except for communications, earth and weather satellites, and the minaturisation of certain components. These innovations and inventions have not yet given a boost to world trade.

But, for the next two decades, a potential powerful stimulus to world trade can come from the opening of China to the world. She can become a vast new frontier for existing middle and higher technology, machinery and know-how. This would generate growth both in the developed countries and in China itself, with spin-off benefits for Third World countries in aid and trade. With a population estimated at over 750 million, in early 10 million sq. kilometres, China has an effective administration, and an adequate infrastructure of power, water, transportation, basic education and skills. Unlike most of the new countries, China has the capacity to absorb, and effectively use inputs of technology, both machinery and knowhow. But she has not got enough foreign exchange to pay for such massive purchases unless extensive credits are made available. China's external trade in 1970 was estimated to be US$4.2 billion (I). Hong Kong, with a population of 4 million, for the same year, had a trade figure of US$5.4 billion, (I) more than China's by one-quarter. Indeed, trade between China and Southeast Asia has grown marginally in actual terms, and dropped by almost half in percentage terms, of Southeast Asian trade. (L) But given the

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credits, China's trade potential could be Hong Kong's US$5.4 billion by a multiple of 200 for simply the size of population, ignoring the even greater multiple in land resources.

There are all the signs that China wants closer economic ties with the developed West. First, cultivation of West European governments by China even before President Nixon's visit to Peking. Next, China's symbolic purchase of these Concordes. China has publicly supported the expansion of the E.E.C.

Now Japan has severed diplomatic relations with Taiwan, and is to have direct diplomatic and trade relations with China. Some Japanese believe America would have established close diplomatic and direct trade relations with China soon enough to enable China's leaders to be present in Washington to join in celebrations in the spirit of 1976. For her part, China will want to import technology on the most competitive terms, and on the best credits offered, from Europe, Japan and America.

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For most of the Third World, development will be uneven and patchy. Trade concessions and UNCTAD resolutions are important in easing the painful and slow process of educating and disciplining agricultural communities and transforming them into industrial urban societies. But the decisive factors are a

people's ethnic and cultural characteristics, the cohesiveness of their social organisation, their administrative competence, plus their leadership to provide the will to a whole people to make strenuous and sustained efforts. But the flame of hope, however small and flickering, must be kept alive.

It is not a coincidence that those countries which the West found most difficult to subjugate like Vietnam, or to extract Treaty Ports and extra-territorial concessions from, like China, are also the ones which have demonstrated their capacity for effective administration and for economic progress, with the promise of high growth rates if capital, machinery and know-how were made available.

The East Asians share a common intense culture. Their main characteristics are a high threshold for pain, a capacity for concentrated work over long periods, a willingness to postpone present consumption for greater capital formation. They are quick learners. Hence, they have been more successful in industrialisation, and they have had the fastest growth rates -- South Korea, Japan, Taiwan, and, but for the war, Vietnam.

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My second assumption for these projections is that the Americans would regain their self-confidence and poise and maintain their interests abroad in NATO, the Middle East, East and Southeast Asia. Only then is Mr., Nixon's generations of peace and prosperity without war, likely.

Japan and Europe can help to repair the terrible devastation in Indo-China and add to Mr. Nixon's US$7 billion rehabilitation programme. And if the Russians and the Chinese also pitch in, if only to help the Communist side, then, for once, all major power groups are on the same side doing the right thing for mankind.

But if, on the other hand, the Americans become self-centred, filled with self-pity, resentful that their generosity in restoring Europe and Japan to prosperity has gone unrequited, their efforts to keep out Communism and uphold the right of self-determination for South Vietnamese unappreciated, they may become interested only in themselves. This would make for a dangerous world.

Four years of a U.S. Presidency is a relatively short time in the history of nations. Perhaps, it is because the Americans are such a young nation that they are impatiently waiting to celebrate their 200th anniversary. They are generous and idealistic. But the onerous and tedious burdens of a super-power also demand patience, stamina and endurance. And it has taken the European in Kissinger to get America to play a long game.

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If we are to move towards a more peaceful and stable world, the major countries must move now towards a more multi-lateral sharing of world responsibilities in trade and finance. The Atlantic Institute has already got Japanese corporations as active and contributing members, although it is the Pacific, not the Atlantic, that washes Japanese shores. If Europeans take an interest beyond just the Mediterranean Basin and Africa, they will help make this a more prosperous and stable world. After all it was the Europeans who opened up East and Southeast Asia long before the Americans or Russians.

And it is significant that when Indonesia was sorely in need of rehabilitation after 20 prodigal years of Dr. Sukarno, the Americans insisted on the I.G.G.I. (Inter-Governmental Group for Indonesia) formula: one-third U.S.A., one-third Japan, one-third Western Europe.

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For Southeast Asians, European multilateral sharing of responsibilities could be critical. 350 years of the Dutch in Indonesia, 150 years of the British in Malaysia and Singapore, and about 100 years of the French in Indo-China, have left a profound imprint on their lives. Ties of language, culture and sentiment are not easily cut and forgotten. In part, it is nostalgia in the face of the more demanding super-powers. The donor-donee relationship with a super-power is not always an agreeable one.

Many in Southeast Asia have found the Russians [9] willing to give aid, but people who can be rough when baulked. The Americans can be generous. But they twist arms readily and brutally to get their way. And the Japanese bring up memories of the last war to the conscious surface every time a hard-headed and hard-hearted Japanese team negotiates a deal to extract timber, minerals or oil. The Southeast Asians have re-discovered that the Europeans, especially their former imperial power, are perhaps amongst the more cultured of the developed peoples. Of course, Europeans put their national or company interests first, like all others. But they maintain the civilities and courtesies that make arm-twisting less of a painful business.

It was more than symbolic that the first European country Indonesia's President Suharto visited was Holland. And he sent a special message to the European Heads of Government when they met in October. He followed this with a visit to Paris and Brussels.

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It may not be possible immediately for the E.E.C. to let in agricultural products from Southeast Asia on the terms granted to the African states of the Yaounde Convention, or even the East African states of the Arusha Agreement. But Southeast Asia is watching what the 20 Caribbean and other sugar-producing

countries may be getting. Some concessions to Southeast Asia, for psychological, as much as for economic reasons, are in everyone's interests.

However, Southeast Asians are more likely to benefit from exports to the E.E.C. of the Nine of manufactured middle technology products -- not textiles or transistors, over which there are many vexing problems for Europe as there are for America. If the Nine allow an annual increase of at least 15% of the GSP (Generalised System of Preferences) quota, accompanied by liberalisation in the rules of origin of raw materials, Europe can contribute substantially towards a more stable, peaceful and prosperous world, where a freer exchange of goods and services diminishes reasons for conflicts.

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FOOTNOTES

1 D G E Hall, History of Southeast Asia, (London: Macmillan), 1968, page 803.

2 H G Callis, Foreign Capital in Southeast Asia, (New York: International Secretariat, Institute of Pacific Relations), 1942, page 34.

3 Ibid., page 80 (investments in rubber, tea, coffee, coconuts, sugar cane, and cotton, plus mining in tin, zinc, tungsten and gold).

4 Hall, op. cit., page 802

5 callis, op. cit., page 17

6 Ibid., page 70

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7 German trade from US$259 million (or 3.5%) in 1958
to US$726 million (or 4.8%) in 1970

Italian trade from US$93 million (or 1.3%) in 1958
to US$235 million (or 1.6%) in 1970

See Table VIII

8 18 countries, population 75 million, in 11 million sq. kilometres. See Table IX.

9 Russian trade with Southeast Asia has declined substantially since 1958 and amounts to only a small percentage (0.6%) of Soviet trade and 0.9% of Southeast Asian trade. What may be interesting is the tremendous increase in Russian trade with India, especially since 1968 (from 2.1% to 5.9% of Soviet trade, and from 6.0% to 10.2% of Indian trade.) (See Table V).

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REFERENCES TO TABLES

(A) Table XIII - Philippines: Foreign Investments, 1970 (At end period)

(B) Table XI - Indonesia: Approved Investments, 1967 to March 1972

(C) Table X - Singapore: Foreign Investments in Manufacturing Industry, 1965-1971

(D) Table XII - West Malaysia: Foreign Investments in Pioneer Companies, 1969-1971 (At end period)

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(E) Table XIV - Thailand: Foreign Investments December 1969

(F) Table I - E.E.C. Trade with Southeast Asia

(G) Table II - U.S.A. Trade with Southeast Asia

(H) Table III - Japan Trade with Southeast Asia

(I) Table IX - Population, Area, GNP and External Trade, 1970

(J) Table VI - E.E.C. Trade with Yaounde Convention States

(K) Table VII - E.E.C. Trade with Arusha Agreement States

(L) Table IV - People's Republic of China Trade with Southeast Asia.

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TABLE I

E.E.C. TRADE WITH SOUTHEAST ASIA(1)

Year	E.E.C. SIX			E.E.C. NINE		
	US$ Million	Percentage of E.E.C. Trade	Percentage of S.E.A. Trade	US$ Million	Percentage of E.E.C. Trade	Percentage of S.E.A. Trade
1938	365	3.7	20.2	546	3.1	30.2
1958	868	1.9	11.9	1,423	2.1	19.5
1970	1,625	0.9	10.7	2,412	1.1	15.9

(1) Includes ASEAN and Indochina.

Source: International Monetary Fund: Direction of Trade, Annual 1958-1962, 1966-1970 (Washington D.C.).
Statistical Office of the United Nations: Yearbook of International Trade Statistics, 1953 (New York).
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TABLE II

U.S.A. TRADE WITH SOUTHEAST ASIA(1)

Year	US $ Million	Percentage of U.S.A. Trade	Percentage of S.E.A. Trade
1938	400	8.0	22.1
1958	1,156	3.7	15.9
1970	2,570	3.1	17.0

(1) Includes ASEAN and Indochina.

Source: International Monetary Fund: Direction of Trade, Annual 1958-1962, 1966-1970 (Washington D.C.).
Statistical Office of the United Nations: Yearbook of International Trade Statistics, 1953 (New York).
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TABLE III

JAPAN TRADE WITH SOUTHEAST ASIA(1)

Year	US $ Million	Percentage of Japan Trade	Percentage of S.E.A. Trade
1938	133	8.7	7.4
1958	695	11.8	9.5
1970	3,859	10.1	25.5

(1) Includes ASEAN and Indochina.

Source: International Monetary Fund: Direction of Trade, Annual 1958-1962, 1966-1970 (Washington D.C.).
Statistical Office of the United Nations: Yearbook of International Trade Statistics, 1953 (New York).
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TABLE IV

PEOPLE'S REPUBLIC OF CHINA TRADE WITH SOUTHEAST ASIA(1)

Year	US $ Million	Percentage of China Trade	Percentage of S.E.A. Trade
1938	41	n.a.	2.3
1958	215	n.a.	3.0
1970	270	6.4	1.8

n.a. Not available.

(1) Includes ASEAN and Indochina.

Note: Data on China trade with South East Asia for 1970 were obtained from the People's Republic of China: An Economic Assessment - A Compendium of Papers submitted to the Joint Economic Committee Congress of the United States. Similar data for 1938 and 1958 are not available and have been derived from the trade of South East Asia

Source: International Monetary Fund: Direction of Trade, Annual 1958-1962, 1966-1970 (Washington D.C.).
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TABLE V

U.S.S.R. TRADE WITH SOUTHEAST ASIA(1) AND INDIA

Year	TRADE WITH SOUTHEAST ASIA			TRADE WITH INDIA		
	US $ Million	Percentage of U.S.S.R. Trade	Percentage of S.E.A. Trade	US $ Million	Percentage of U.S.S.R Trade	Percentage of India Trade
1938	n.a.	n.a.	n.a.	3	0.6	0.3
1958	157	1.8	2.2	181	2.1	6.0
1970	141	0.6	0.9	420	5.9	10.2

n.a. Not available.

(1) Includes ASEAN and Indochina.

Notes: Data on U.S.S.R. trade with Southeast Asia for 1958 were obtained from the Direction of Trade. Similar data for 1970 are not available and as such have been derived from the trade of Southeast Asia.

Source: International Monetary Fund: Direction of Trade, Annual 1958-1962, 1966-1970 (Washington D.C.).
Statistical Office of the United Nations: Yearbook of International Trade Statistics, 1953 1958 (New York).
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TABLE VI

E.E.C. TRADE WITH YAOUNDE CONVENTION STATES[1]

Year	E.E.C. SIX			E.E.C. NINE		
	US $ Million	Percentage of E.E.C. Trade	Percentage of Y.C.S. Trade	US $ Million	Percentage of E.E.C. Trade	Percentage of Y.C.S. Trade
1938	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1958	803	1.8	30.8[2]	848	1.2	32.5[2]
1970	3,127	1.8	66.9	3,349	1.5	71.6

n.a. Not available.

(1) Includes the following countries: -

Burundi	Dahomey	Rwanda
Cameroun Fed. Rep.	Gabon	Senegal
Central African Rep.	Madagascar	Somalia
Congo People's Rep.	Mali	Chad
Congo Democratic Rep.	Mauritania	Togo
Ivory Coast	Niger	Upper Volta.

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(2) Estimated based on the trade of major Yaounde Convention States.

Source: International Monetary Fund: Direction of Trade, Annual 1958-1962, 1966-1970 (Washington D.C.).

TABLE VII

E.E.C. TRADE WITH ARUSHA AGREEMENT STATES(1)

Year	E.E.C. SIX			E.E.C. NINE		
	US $ Million	Percentage of E.E.C. Trade	Percentage of A.A.S. Trade	US $ Million	Percentage of E.E.C. Trade	Percentage of A.A.S. Trade
1938	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1958	51	0.1	7.2	260	0.4	36.6
1970	246	0.1	16.5	626	0.3	42.0

n.a. Not available.

(1) Includes Kenya, Uganda and Tanzania.

Source: International Monetary Fund: Direction of Trade, Annual 1958-1962, 1966-1970 (Washington D.C.).

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TABLE VIII
SOUTHEAST ASIA: TRADE WITH SELECTED TRADING PARTNERS

Country	1938	1958	1970	1938	1958	1970
	US $ Million			Percentage Distribution		
Japan	126	739	3,928	7.0	10.1	26.0
U.S.A	392	1,184	2,828	21.7	16.3	18.7
Southeast Asia	384	2,104	2,266	21.2	28.9	15.0
China, People's Rep.	41	215	245	2.3	2.9	1.6
U.S.S.R.	n.a.	59	141	n.a.	0.8	0.9
E.E.C. Six	357	872	1,713	19.8	12.0	11.3
E.E.C. Nine	531	1,626	2,632	29.4	22.4	17.4
Belgium/Luxembourg	19	73	110	1.1	1.0	0.7
France	110	208	288	6.1	2.9	1.9
Italy	19	93	235	1.1	1.3	1.6
Germany, Fed. Rep.	62	259	726	3.4	3.5	4.8
Netherlands	147	239	354	8.1	3.3	2.3
United Kingdom	164	719	854	9.1	9.9	5.7
Eire	n.a.	-	6	n.a.	-	-
Denmark	10	35	59	0.5	0.5	0.4
Others	333	1,351	3,083	18.4	18.6	20.4
Total	1,807	7,278	15,123	100.0	100.0	100.0

n.a. Not available. - Nil or negligible

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Notes: The percentages given in this table may not agree with those presented in Tables I - VII. In Tables I-VII, they were derived based on recorded trade statistics of the relevant countries whereas in this table they were based on trade statistics of Southeast Asia.

Source: International Monetary Fund: Direction of Trade, Annual 1958-1962, 1966-1970 (Washington D.C.).
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TABLE IX

POPULATION, AREA, GNP AND EXTERNAL TRADE, 1970

Country/Region	Population (Million)	Area ('000 Sq Km)	GNP (US$ Million)	External Trade (US$ Million)
China, People's Republic	759.6	9,597.0	93,500[1]	4,220
Hong Kong	4.1	1.0	2,542	5,424
Southeast Asia:	257.8	3,385.1	37,508[2]	15,123
ASEAN	208.4	2,637.9	30,200	14,114
Indochina	49.4	747.2	7,308	1,009
EEC Nine:	250.6	1,510.8	608,844	228,910
EEC Six	187.1	1,168.2	468,529	177,462
U.S.S.R.	242.8	22,400.0	270,111[3]	7,153
U.S.A.	205.4	9,363.2	974,100	83,191
Japan	103.5	369.7	197,180	38,199
Yaounde Convention States	75.0	11,052.5	n.a.[4]	4,706
Arusha Agreement States	34.0	1,761.2	3,901[5]	1,492

(1) Estimate relates to mean average of GNP given in "People's Republic of China: An Economic Assessment" and "The Far East and Australasia, 1971."

(2) Data for Thailand and South Vietnam refer to 1969, for Cambodia to 1966.

(3) Refers to 1968.

(4) Either unavailable or available for earlier years only.

(5) Data for Kenya refers to 1969.

Source: Population: Statistical Office of the United Nations: Demographic Yearbook, 1970 (New York).

Area: John Paxton: The Stateman's Yearbook, 1972/1973 (London: MacMillan)

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TABLE X

SINGAPORE: FOREIGN INVESTMENTS[1/] IN MANUFACTURING INDUSTRY, 1965-1971

Country/Region	1965	1966	1967	1968	1969	1970	1971	1965	1966	1967	1968	1969	1970	1971
	U.S. $ Million							Percentage Distribution						
U.S.A.	7.5	7.8	8.8	17.3	42.8	112.1	164.8	14.6	10.0	8.9	11.7	21.8	34.5	31.8
Japan	8.8	9.8	10.1	11.1	11.8	22.2	35.5	17.2	12.6	10.2	7.5	6.0	6.8	6.9
EEC	27.81	32.3	48.4	60.5	74.2	131.7	201.2	54.2	41.4	48.9	40.8	37.9	40.5	38.9
United Kingdom	4.7	17.3	27.8	33.7	39.9	65.0	96.7	28.7	22.2	28.1	22.7	20.4	20.0	18.7
Germany, Federal Republic	n.a.	n.a.	0.3	0.3	0.3	1.0	6.9	n.a.	n.a.	0.3	0.2	0.2	0.3	1.3
Italy	n.a.	n.a.	n.a.	n.a.	n.a.	3.3	4.0	n.a.	n.a.	n.a.	n.a.	n.a.	1.0	0.8
Netherlands	13.1	15.0	20.3	26.5	34.0	59.8	90.1	25.5	19.2	20.5	17.9	17.3	18.4	17.4
France	n.a.	n.a.	n.a.	n.a.	n.a.	2.6	3.3	n.a.	n.a.	n.a.	n.a.	n.a.	0.8	0.6
Others	7.2	28.1	31.7	59.4	67.2	59.1	116.1	14.0	36.0	32.0	40.1	34.3	18.2	22.4
Total	51.3	78.0	99.0	148.3	196.0	325.0	517.6	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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1/ Data refers to value of gross fixed assets in the manufacturing industry.
Source: Economic Development Board, Singapore, Report on the Annual Survey of Manufacturing Activity, 1971.

TABLE XI

INDONESIA: APPROVED FOREIGN INVESTMENTS, 1967 TO MARCH 1972

Country/Area	US $ Million	Percentage Distribution	Number of Projects
U.S.A.	554.0	32.5	77
Japan	291.9	17.2	84
EEC	127.7	7.5	115
Netherlands	38.5	2.3	28
United Kingdom	34.8	2.0	29
West Germany	22.0	1.3	30
France	15.9	0.9	8
Belgium	10.6	0.6	15
Denmark	5.0	0.3	4
Italy	1.0	0.0	1
Others	727.6	42.7	210
Total	1,701.2	100.0	486

Source: Foreign Investment Board, Statistical Data on Foreign Investment in Indonesia, 1972

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TABLE XII
WEST MALAYSIA: FOREIGN INVESTMENTS IN PIONEER COMPANIES, 1969-1971
(At end period)

Country/Region	1969	1970	1971	1969	1970	1971
	U.S. $ Million			Percentage Distribution		
U.S.A.	22.1	21.2	21.4	22.1	18.5	15.4
Japan	10.5	13.7	15.8	10.5	12.0	11.4
EEC	23.9	25.6	32.1	23.9	22.4	23.1
United Kingdom	22.7	24.1	29.8	22.7	21.1	21.4
Germany, Fed. Rep.	0.1	0.2	0.2	0.1	0.2	0.1
Netherlands	0.5	0.7	1.5	0.5	0.6	1.1
France	0.3	0.3	0.3	0.3	0.3	0.2
Belgium	0.1	0.1	0.1	0.1	0.1	0.1
Denmark	0.2	0.2	0.2	0.2	0.2	0.1
Others	43.6	53.8	69.9	43.6	47.1	50.2
Total	100.1	114.3	139.2	100.0	100.0	100.0

Source: 1969 : Asian Development Bank, Southeast Asia's Economy in the 1970s, (London: Longman, 1971), p 387
1970,1971 Federal Industrial Development Authority of Malaysia, Malaysia Industrial Digest, Vol. 4 No. 1 and Vol. 5 No. 1

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TABLE XIII

PHILIPPINES: FOREIGN INVESTMENT[1/] 1970
(At end period)

Country/Area	U.S. $ Million	Percentage Distribution
U.S.A.	559.7	82.1
Spain	23.1	3.4
Japan	11.3	1.7
EEC	44.4	6.5
Netherlands	22.6	3.3
United Kingdom	20.3	3.0
Germany, Fed. Rep.	1.5	0.2
Others	43.6	6.4
Total	682.1	100.0

1/ Data cover corporations in manufacturing, public utility, commerce, mining, financial institutions, agriculture, services and construction.

Source: Board of Investments, Philippine Progress, Vol. V 4th Quarter 1971.

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TABLE XIV

THAILAND: FOREIGN INVESTMENTS[1/] DECEMBER 1969

Country/Area	U.S. $ Million	Percentage Distribution
Japan	31.3	31.8
U.S.A.	15.9	16.1
EEC	13.3	13.5
United Kingdom	5.1	5.2
Netherlands	4.1	4.1
Germany, Fed. Rep.	2.2	2.2
Denmark	1.3	1.3
Italy	0.6	0.6
Others	38.0	38.6
Total	98.5	100.0

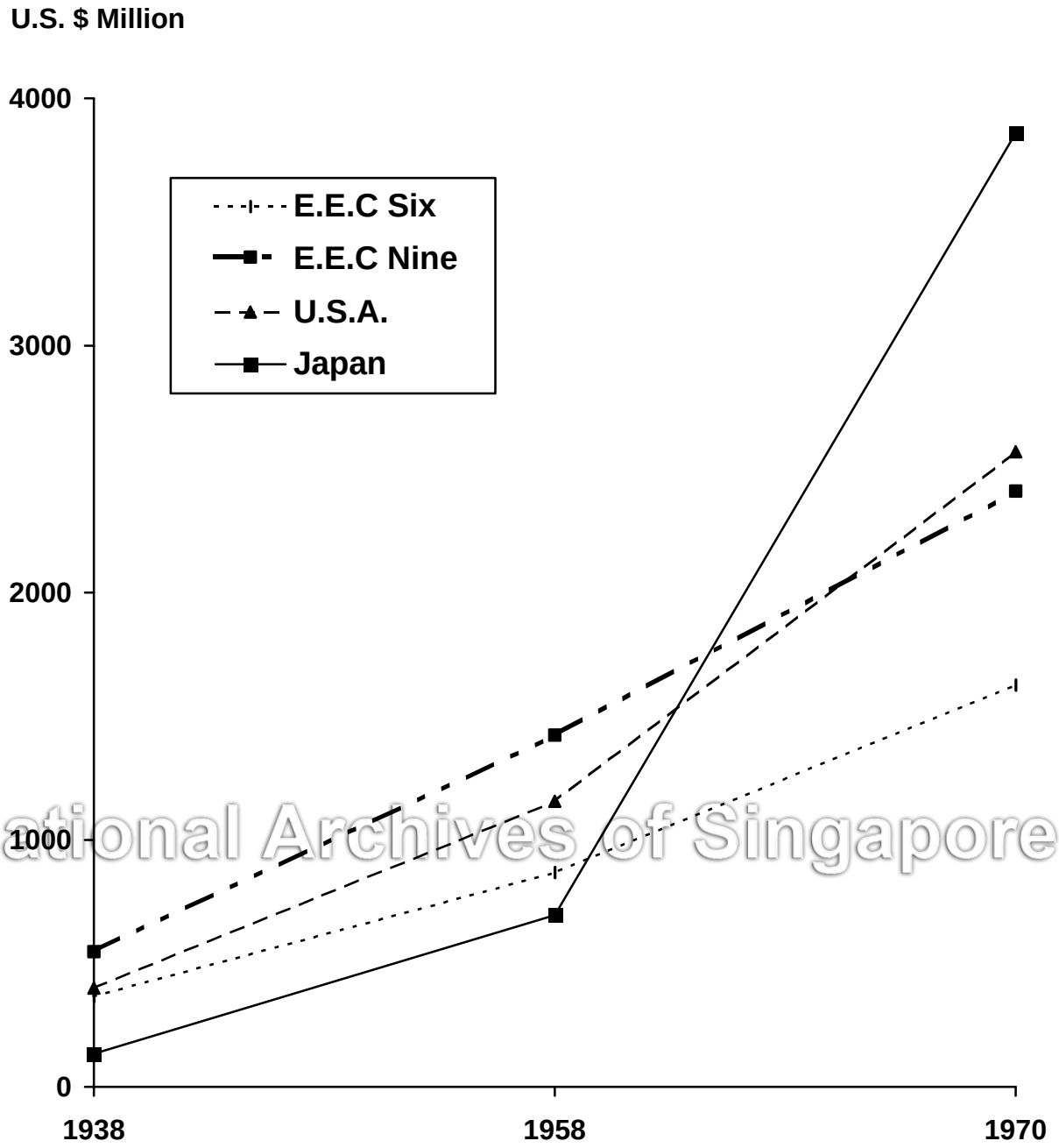
1/ Registered capital of promoted industries

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Source: Asian Development Bank, Southeast Asia's Economy in the 1970s (London: Longman, 1971) p. 411.

DIAGRAM I

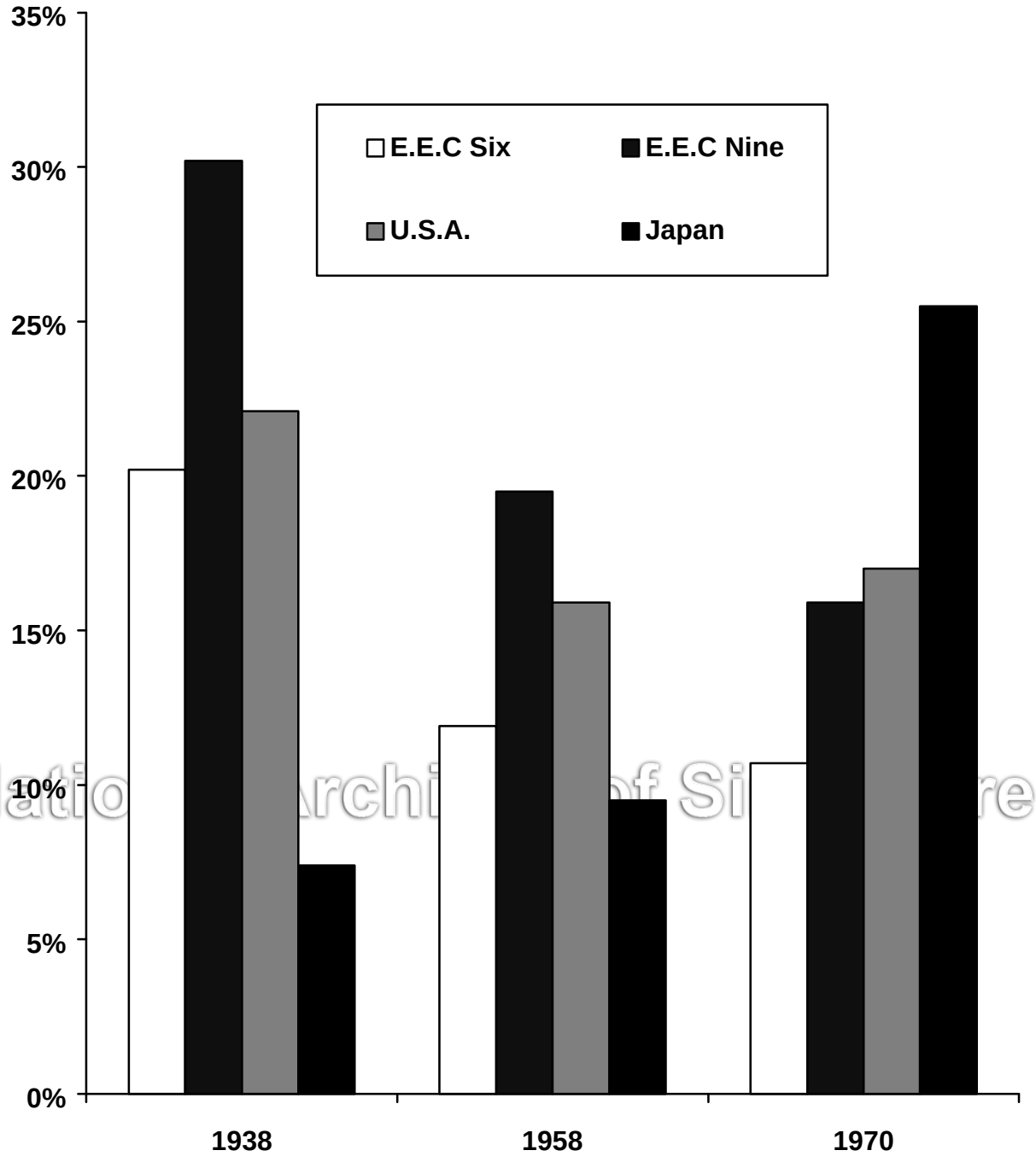
EXTERNAL TRADE OF SOUTHEAST ASIA WITH
E.E.C., U.S.A. AND JAPAN



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DIAGRAM II

PERCENTAGE OF SOUTHEAST ASIA'S TRADE WITH E.E.C., U.S.A. AND JAPAN



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