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**SPEECH BY BG (RES) GEORGE YONG-BOON YEO,
MINISTER OF STATE (FINANCE AND FOREIGN AFFAIRS),
AT THE PACIFIC ECONOMIC COOPERATION CONFERENCE DINNER
AT THE GARDENIA ROOM, SHANGRI-LA HOTEL ON 4 MAY 90 AT 7.30 PM**

The Pacific is a vast ocean. From Singapore to Ecuador is half way around the world. Distances in the Pacific are enormous.

Yet, despite these distances, the ocean connects even as it separates. We do not know what contacts there were between the early Chinese and the early Indians of the Americas. But the epic voyages of the Polynesian seafarers are well known. In the 15th Century, the Spanish governed Manila from Acapulco. At the time when Raffles founded Singapore for the British East India Company, the Mexican silver dollar was in common use in Southeast Asia. Trade across the Pacific with North America has grown rapidly in the last two centuries. For many years now, the volume of US trade across the Pacific has exceeded that across the Atlantic.

When Japanese PM Ohira and Australian PM Fraser initiated the idea of PECC, it was an idea whose time has come. Since its inception in Canberra in September 1980, PECC has made an invaluable contribution to the idea of Asia-Pacific co-operation. PECC has helped to clarify in our minds what are the economic forces at work, and what are the threats and opportunities. For a region as large as the Asia-Pacific, and in a field as complex as Pacific economic co-operation, it is natural that theory should lag behind practice. The first requirement is to know what really is happening in the real economy.

Just as theory lags behind practice, so politics lags behind economics. It is inevitable that profound economic changes in the Pacific should be followed by equally profound political changes. The first meeting of APEC in Canberra last year was a political act of historic importance.

The important goal of PECC to foster a Pacific consciousness has thus been achieved. It would not be right for PECC to claim paternity of APEC, for that would be immodest and also untrue, but PECC was at least a handmaid, maybe even a midwife. And indeed that was well recognized in Canberra when Brian Talboys, then PECC Chairman, was accorded full observer status at the APEC conference table. This recognition is further seen in the decision taken by the First APEC Senior Officials Meeting in Singapore in February this year to request PECC to prepare a paper on the regional economic outlook for consideration by the APEC ministers. PECC's Fisheries Task Force has also been asked to submit a report. To paraphrase Dr Thanat Khoman, the PECC body has finally found its head.

After 10 years, a permanent secretariat for PECC has been established which will serve not only PECC but also those in government, business and academia who need assistance in research or education in general. I congratulate PECC on its 10th Anniversary and wish it even greater success in the challenging years ahead.

For us in Singapore, it is an extremely pleasant duty and a signal honour to host the PECC Permanent Secretariat, the coming ministerial meeting of APEC and the 8th PECC Conference in April/May next year.

We are witness to a great drama still unfolding in the Pacific. Europe may have momentarily taken centre-stage but even a Europe united from the Atlantic to the Urals, which will take many years to achieve if this is at all possible, will still be much smaller than the Asia-Pacific, both in geographical size and in population. We have the opportunity before us in the

Pacific to help usher in a golden age, for the countries of the Pacific and for the world. I have no doubt we in PECC will do our part.
