

diesel engines and soda-ash. The group was also directed to examine the technical and economic feasibility of new capacity in newsprint and potash, and to consult on national programs for steel and basic petrochemicals with a view to co-ordinating these programs. Other projects to be studied were metal-working machine tools, fisheries, tin-plating, tires and electronic components.

In order to strengthen trade co-operation, the ASEAN economic ministers agreed to examine the following points as possible bases for future studies: long-term quantity contracts; purchase-finance support at preferential interest rates; preference in government procurement; and extension of tariff preferences. The economic ministers agreed to establish machinery for dialogue with third countries or groups of countries or other regional blocs, and to adopt approaches to other world economic problems in the United Nations as well as in other international forums.

Neither the Bali summit meeting nor the subsequent conference of economic and planning ministers produced any great surprises. Despite resolutions on economic co-operation, mutual suspicions would probably inhibit the region from becoming a free-trade area. There were fears that cutting tariffs by the less-industrialized member states might lead to Singapore smothering the infant industries. Abandonment of protectionism might also allow multinational corporations an unwelcome entry into the region.

Open membership

The ASEAN members had declared membership in the organization to be open to all countries in Southeast Asia, and extended a welcome to the states of Indochina to enter. Despite friendly overtures and assurances that ASEAN had no intention of forming a military bloc, Hanoi was highly critical of the Bali summit meeting in general and several of the states that attended it in particular. Indonesia, for example, was called "the regional policemen of the U.S.A.". Moreover, the Government of North Vietnam stated that it would actively support all insurgency movements in non-Communist countries in the region. Hanoi was not opposed to the conception of regional organization in Southeast Asia but feared that the U.S. planned to use ASEAN to oppose revolution in the area. On March 7, the Malaysian Prime Minister said that time would show that ASEAN was not "a new SEATO in disguise". There were indications that the North Vietnamese attacks only

strengthened ASEAN solidarity against Hanoi, especially since the members were already nervous over the possibility of fresh outbreaks of insurgency in their respective states.

The Soviet Union had also seen ASEAN as an incipient military pact, but modified its judgment and was less hostile after the Bali conference. China was responding more favourably, stressing the strengthening of economic co-operation at the Bali meeting. In addition, regional solidarity would increase the ability of the countries to resist the inroads of the Soviet Union, which increasingly appeared to be a major beneficiary of Communist victories in Vietnam. The *Peking Review* (March 5, 1976, p. 20) commented: "As a result of the meeting, unity and co-operation among the ASEAN states have been strengthened, while the 'Asian collective security system' hawked by the Soviet Union has been spurned."

Secretariat

As the international system was becoming more complex, ASEAN had established a central Secretariat to deal with an increasingly wide range of activities. Since the Secretary-General would now act as the main channel of communication between ASEAN countries, the right person had to be chosen for the position. The Secretary-General, who is more an administrator than a statesman, is responsible to the five foreign ministers and, through them, to the standing committee of ASEAN. He currently has authority to address communications directly to the five member states, to implement and co-ordinate ASEAN activities, and to initiate plans and programs. The secretariat consists of three bureaux with directors: Economics, Science and Technology, and Social and Cultural Affairs. In addition, there are four offices: Foreign Trade and Economic Relations, Administration, Public Information, and Assistant to the Secretary-General.

One major advantage of the central Secretariat is that ASEAN can now present a more unified negotiating stance with other countries or organizations. Links between ASEAN and the EEC were discussed at Brussels, and further progress was delayed until Dharsono was formally appointed and running the Secretariat.

During the months following the Bali conference, diplomatic activity dominated ASEAN's immediate adjustment to new international realities. Lee Kwan Yew visited Peking, but did not seem to be in a hurry to establish diplomatic relations with China. He emphasized that relations

*Agreement
on machinery
for dialogue
with others*