

**Opening Remarks by H.E. Dr.Thaksin Shinawatra
Prime Minister of Thailand
At the 1st BIMST-EC Summit
Bangkok, 31 July 2004**

Excellencies, Honorable Heads of State and Government, Honorable Ministers,
Distinguished Guests,
Ladies and Gentlemen,

It is my great honor and pleasure to warmly welcome all of you to the First and historic BIMST-EC Summit. It is even more pleasure to see that the initiative begun in Bangkok some six years ago has matured to the point that it now includes seven member countries, and that the Leaders of all seven are meeting for the first time, also here in Bangkok.

In 1997, when our cooperation was founded and was changed in the same year from BIST-EC to BIMST-EC, it was envisioned as a bridge that would link South and Southeast Asia together, to harness the dynamism and potential of both regions. Today we will see the strong foundation of that bridge being reinforced.

But it was in the year we were founded where the Asian financial crisis struck, sending ripples around the world. With the prospects for recovery uncertain, the Asian development model went from miracle to mirage in the eyes of many. In its place, the so-called Washington Consensus became the prescribed blueprint for developing countries, including those struggling to get out from the crisis.

Now, six years later, the economic winds have shifted. Southeast Asia has mostly recovered from the crisis, with the wisdom of lessons learned the hard way. We have learned that “common economic wisdom” is not always wise or correct, and that self-help and mutual assistance with close neighbors remain valuable even in this age of complex interdependence.

Just barely six years after the 1997 crisis, talk of a new dawn of Asian century has become fashionable once more, this time with India entering the equation in a big way. Jeffrey Sachs predicted in the Fortune magazine earlier this year that China is likely to overtake, and India to equal, the U.S. economy in size by the year 2050. The signs are there for all to see. Not only are big multinational companies relocating their manufacturing facilities to Asia, they have also been outsourcing their services offshore to Asia. The beneficiaries have not been just Asia, but consumers the world over. Around the world, developing countries are looking to Asia and seeking to engage it more closely.

Clearly, Asia is leading the resurgence in South-South cooperation. But these days South-South cooperation is not just about denouncing the injustices of the global economy. Our definition of South-South cooperation needs to be redrawn in practical terms, unconfined by ideological straitjackets and preconceptions. Our success in the new South-South cooperation must be driven by concrete collective action, so that we may face the challenges and opportunities of globalization in a creative, constructive, and practical manner.

This is precisely what we must bring to our BIMST-EC. BIMST-EC is unique in that it is the only cooperation framework linking South Asia with Southeast Asia, encompassing the Bay of Bengal with the Andaman Sea. In BIMST-EC countries from the two regions of our continent, despite their diversity, can work together as if they belonged to one and the same region. In BIMST-EC collective cooperation will bring about fruitful result because it is based on creative, constructive and practical manner. In BIMST-EC, our cooperation will prove that what matters most is a common sense of purpose and a shared commitment towards the same objectives of development and prosperity.

Excellencies,
Ladies and Gentlemen,

To our credit, we have made a good start towards the BIMST-EC Free Trade Area, with the signing of the Framework Agreement in February, and the accession by Bangladesh thereto last month. But, despite that, many of the issues that confronted us when BIMST-EC was created remain with us today – issues such as poverty reduction and sustainable development. We are still focused on sectors of cooperation that will sharpen our competitive edge: trade and investment, tourism, transportation and communications, fisheries, energy and technology. And we must continue to be focused on the implementation of these areas of cooperation.

Therefore, Honorable Heads of State and Government, our meeting today is politically appropriate and economically timely.

We meet today because, as Leaders, we share the sense of common commitment to our people. We meet today because, as Leaders, we want to put our political will for the realization of our shared commitment. We meet today because, as Leaders, we can see the turning of economic tide for the Asian century and we must benefit from it. We meet today because we, the Leaders and all and everyone of us, have the high hope for better economic performances and advancing of sustainable development for each and every one of our countries.

But as we look back at ourselves, we must accept that the aggregate economic performance of BIMST-EC has not been among the top ranks of the world, to say the least. That is not news. The danger is that after so long, we run the risk of getting used to life at the bottom.

Indeed, we must not. We must look up to the top to find the track to reach there. Long as it may be, we will run its length. As in any race, fresh runners always benefit from bigger and faster steps. In growth, too, from where we are, just like fresh runners, we have much more opportunity to make bigger growth and faster growth; provided we have the will; provided we have the means. So we must find in BIMST-EC both the will and the means to succeed. We must find in BIMST-EC both the will and the means to grow together, to grow faster and to succeed together.

In growing together, we need to be wise to the ways of globalization, to open our eyes to the possibilities of technology and the marketplace. We must encourage our politics to empower our societies at the grassroots level, to give them the power to choose their own destinies. Our richness in natural and human resources would amount to little if we lack the wisdom to manage them. We must learn to tap our potential and articulate our assets wisely.

In the fight against HIV/AIDS, for example, Thailand has been working closely with China to develop affordable herbal remedies for AIDS, using our rich biodiversity as a natural source for medicinal compounds. The combined treatment using the Chinese SH compound and the Thai GPOvir show what is possible when we make the most of what we already have. India, for example, has made so much progress in the fight against AIDS and can share the experiences with all of us. Others can come in to share their biodiversity asset for a more effective treatment. At the end, I believe, diverse as we may be, but if we forge closer cooperation finding our strength from diversity, turning adversity into prosperity, in the eyes of the rest of the world, BIMST-EC shall become an instance of South-South cooperation that is more than a small blip on their radar screen.

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The unique position of BIMST-EC also makes it an ideal building block for wider regional cooperation, such as through the Asia Cooperation Dialogue. The ACD, which recently held its third meeting in Qingdao, China, represents a model of cooperation that may be useful for BIMST-EC. The ACD aims to pool the strengths of Asia to meet the needs of Asia, by drawing strength from the diversity of its membership. It promotes the exchange of ideas as well as practical cooperation, through annual ministerial dialogues and joint projects. Its emphasis on taking an incremental approach, raising the comfort level of member countries, and focusing on the feasible is something that I think may be usefully applied to BIMST-EC.

To meet these new challenges and opportunities, it is important to strengthen BIMST-EC from within. In this regard, I am pleased to learn that the BIMST-EC Centre, a technical support facility for the work of BIMST-EC, was inaugurated last week here in Bangkok. Thailand is proud to do its part for BIMST-EC by offering to establish and fund the Centre for a trial period of 2 years, after which we may consider having a permanent secretariat. I hope that each member country will take advantage of the Center's services to achieve our shared aspirations.

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The world has changed so much that what used to work in the past may no longer work in the present. Our cooperation under BIMST-EC needs to take into account the changing global and regional contexts, as well as our own changing needs and strengths. BIMST-EC has only begun to scratch the surface of what it is capable of.

This First Summit is an opportunity for us to shift BIMST-EC into a higher gear to keep pace with the ever-rapid change in the world. With almost a quarter of the world's population, BIMST-EC has the potential to make its impact felt not only in Asia but far beyond. It is up to us to seize this opportunity to work together to bring out the best that we have, to be the best that we can be. Through our shared commitment to partnership and cooperation, we can and will make a positive difference in the lives of our peoples.

Thank you.

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