

nations, and Japan came to play a far more important role. It is notable, however, that several Asean speakers tended to lump the U.S. and Japan together, with one official privately expressing the concern that Japan's actions could often be interpreted as those of a stalking horse for the U.S. in the region.

The big areas of contention between Europe and Asean are "human rights" and environmentalism. The human rights issue being used to pressure the Asean nations is that derived from Thomas Hobbes's "social contract," and the Enlightenment: isolated issues being used now as economic conditionalities. One high-level Asean nation official noted that the May dialogue meeting between EC and Asean ministers was very tense, where the issue of human rights was made an immediate point of discussion, in an "almost emotional way." Asean ministers proposed several points for the new Cooperation Agreement to be signed between the EC and Asean, including a trade forum and moves towards industrial cooperation, which were all rejected by the EC. Many Asean officials, he said, were concerned that EC-Asean relations were coming to a dead end.

The reason for their concern was shown by Juan Prat, director general of the North-South EC Commission. In his speech at Alpbach, he departed from his prepared text to state: "I cannot believe we can talk about sustainable development without also talking about basic human rights. Without basic respect for the environment, we cannot achieve what we want to achieve in economic terms."

Ahmad Kamil Jaafar, secretary general of the Ministry of Foreign Affairs in Malaysia, adequately answered Prat: "Developing countries fear that the creation of regional economic blocs among developed countries will be at their cost and will deny them market access for their products. Traditional economic ties between developing countries and developed countries will shrivel up as economic blocs turn their priorities elsewhere," he said. "The evolution of Europe into a single political entity with its increasing tendency to champion 'burning issues of the day,' purely from a Western perspective, has presented specific problems to Asean. . . . The EC has raised the issue of human rights and environmental protection in the context of developmental cooperation, thereby linking these two issues to the offer of assistance by the EC.

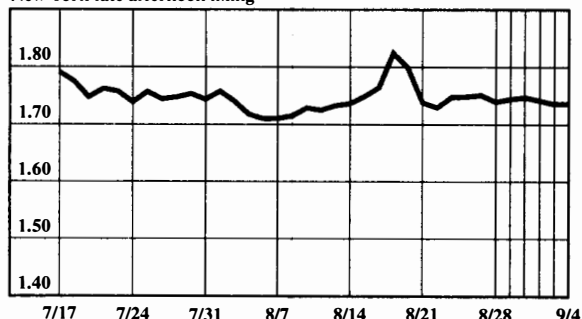
"Asean regards the EC's treatment of the human rights and environment issues as a 'tendentious application' of Western norms and values in inter-state relations and has categorically rejected such linkages to development assistance. Asean therefore welcomes the EC's assurances in the last Dialogue session [in Kuala Lumpur] that the EC will not attempt to make these linkages in the future.

"In the future when Europe has evolved into one of the major global centers of power with a major role to play in the shaping of international affairs, it will be Asean's hope that Europe will judiciously apply its influence to protect and promote the interests of developing countries."

Currency Rates

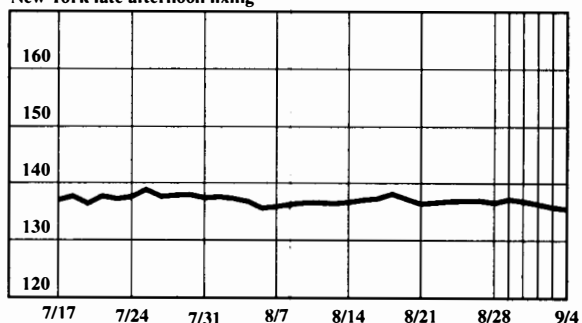
The dollar in deutschemarks

New York late afternoon fixing



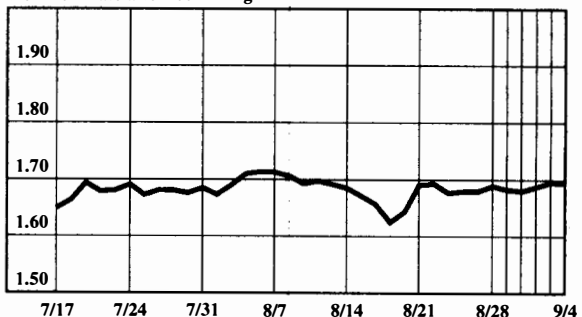
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

