

PM tells Beijing hosts of need to solve key issues

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FROM HENRY CHANG: Beijing, Nov. 20

PRIME Minister Datuk Seri Dr Mahathir Mohamad arrived here this afternoon on his nine-day official visit that hopefully will mark the beginning of a second decade of relations with China in which economics will dominate.

He was met on arrival by Chinese Minister of Coal Industries Yu Honggen, the Minister-in-Attendance, at the airport and proceeded immediately to the square of the Great Hall of the People where he was welcomed by Chinese Premier Zhao Ziyang and a 19-gun salute.

Dr Mahathir inspected a guard of honour mounted by three services of the Chinese army and was greeted by a phalange of gaily dressed school children waving streamers, pom-poms and tambourines. The Prime Minister and his official entourage then paid a brief courtesy call on Premier Zhao in the Great Hall.

At a welcoming banquet given by his host in the evening Dr Mahathir underlined the need for both countries to do more than had been done if the high expectations the two countries had when relations were first established 11 years ago were to be realised.

He called for better mutual understanding so that mature and stable relations can be achieved.

The lack of sustained progress in bilateral relations between the two countries, he said, resulted from the inability to completely resolve certain core issues to mutual satisfaction. "We must face squarely this inescapable conclusion," he said.

On the assurance of Chinese leaders in the past that these issues were the leftovers from history and that time will resolve them, Dr Mahathir said while time is admittedly a great

healer, "I hope we will not allow history to hold the progress of our relations to hostage."

He called for priority for resolving the core issues and a more dynamic mechanism for on-going improvement.

Turning to on-political matters, he said economic cooperation and trade offered exciting possibilities.

"It is my hope that just as politics dominated the first decade of our relations, economics will come to dominate the next decade."

He urged the two countries to seek more equitable trading relationships, pointing to the fact that bilateral trade has been declining since 1980. Malaysia and China, he said, needed to address issues such as a more balanced trade and greater direct trade.

"We must ensure that pious statements followed by inaction or in-

difference which have characterised other bilateral trade relationships do not also come to characterise Malaysia-China trade."

He hoped his visit will add momentum to the new economic area that Malaysian and Chinese companies are exploring. Referring to the large delegation of 130 "captains of Malaysian industry and commerce" which has accompanied him, he said: "They are keen to play their part in giving more substance to our bilateral relations and they have the full support of my government."

Dr Mahathir also referred to the complicated regional situation, particularly Kampuchea.

He said those who genuinely desire peace and stability must renew efforts to find a solution to the problem based on respect for the sovereignty, territorial integrity and non-interference in each other's internal affairs.