

# 9 - day visit <sup>(P)</sup> Mahathir - overseas trips improves ties

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**KUALA LUMPUR, Thurs. — Malaysia does not see China's continued moral support of the Communist Party of Malaysia (CPM) as a "complete stumbling block" to closer bilateral relations.**

Prime Minister Datuk Seri Dr Mahathir Mohamad said tonight the CPM factor in Sino-Malaysian ties "would not prevent us from coming together in other areas".

Although Malaysia was still irked by Peking's continued differentiation between party-to-party ties and between Governments, it did not mean that bilateral relations could not improve.

"Our ideological differences would not affect our relations as long as China does not interfere in our affairs and we do not interfere in theirs."

For the moment, both Malaysia and China realised that the CPM factor in their bilateral relations would remain at status quo.

"We realise the Chinese stand and they know ours."

Speaking to newsmen on his return from an official visit to China, the Prime Minister said:

"We believe that the present leadership in China is sincere in its ef-

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forts to concentrate on economic development and to promote friendly relations with countries in this region."

Dr Mahathir conceded that the changes in attitudes and approaches of the Peking Government under Mr Deng Xiaoping's leadership were indeed taking place.

The main thrust of Chinese policies today was on uplifting the standard of living of its one billion people and on economic modernisation.

He, however, did not dismiss the possibility that the future policies and leadership in Peking might change to such an extent that the present

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spirit of co-operation and openness could end, thus making China once again a threat to the region.

On the multi-racial composition of Malaysia's society, Dr Mahathir said he made it clear to his Chinese counterpart that Malaysian Chinese should be considered Malaysians.

"They are not overseas Chinese. They are Malaysians and they are no more and no less than the other races in Malaysia."

This was in apparent reference to Peking's preference to conduct trade dealings with Malaysians of Chinese origin.

The Chinese leadership, however, understood the aims of the New Economic Policy and the necessity to give special treatment to Bumiputeras.

Dr Mahathir reiterated that except for the CPM issue, his nine-day visit had been extremely successful and had elevated the relations between the two countries to a higher and stronger level — the immediate evidence of which was in Premier Zhao's telephone call to him in Guangzhou to say goodbye this morning before his departure.

He described the economic ties as having improved considerably with the visit and cited the signing of various agreements between Malaysian businessmen and China totalling some \$57 million as an example.

Some of these agreements were for barter trade in both traditional commodities and manufactured goods.

## Shipping

China's shortage of foreign exchange had forced it to turn to barter trade to meet its import needs and continue the sale of its products, Dr Mahathir said.

Malaysia was not averse to conducting trade in barter to help balance trade between the two countries which was currently in China's favour.

He also said that Malaysia could play a role in China's modernisation and development, especially since relations were expected to improve.

Talks on a shipping agreement were still being conducted by officials from both sides, who would also look into the problem of shore leave for Chinese sailors who might disembark at Malaysian ports.

Since there was still no people-to-people ties between Malaysia and China, shore leave for Chinese nationals would be a "minor bureaucratic problem" which could be easily solved, Dr Mahathir said.

The visit, which had its main focus on economic issues, nevertheless gave some attention to international affairs.

Premier Zhao Ziyang had assured Dr Mahathir of China's support for Asean's concept of a zone of peace, freedom and neutrality (Zopfan) and its efforts to find a political solution for Kampuchea.

Peking also had no intention of bringing Kampuchea under its influence through the Khmer Rouge — the faction in the Coalition Government of Democratic Kampuchea which it supports.

Premier Zhao had also expressed his Government's sympathy for Malaysia's stand on the Antarctica issue despite China's entrance as a consultative member of the Antarctica Treaty set-up.