

PM: Don't make Europe a fortress

NT 20 SEP 1988

From AHMAD A. TALIB

BONN, Mon. — Datuk Seri Dr. Mahathir Mohamad said today Europe's anti-tropical timber campaign is discriminatory and its move to develop a single European Union by 1992 will turn the continent into a "fortress" against free trade.

The Prime Minister said an inward-looking Europe would undermine on-going efforts to promote greater European investments in Asean.

He said: "Asean has followed with great interest the European Community's efforts to become a single European Union by 1992.

"Our concern is that such an intra-regional scheme may produce a fortress Europe perspective.

"This can further undermine the already limited market access for developing countries and divert Europe's investment to the community's low-cost member States with the result that on-going efforts to promote greater European investments in Asean would be in vain."

The Prime Minister made this point at the official luncheon given in his honour by West German Chancellor Dr Helmut Kohl.

Dr Mahathir arrived yesterday to begin his tour of West Germany, Belgium and Britain. He was accorded a State welcome with full military honours by Dr Kohl this morning.

Dr Mahathir said Malaysia was hopeful that the march towards 1992 would not result in an inward-looking European Community and that it would remain committed to the liberalisation of global trade.

In this regard, Malaysia is appreciative of West Germany's advocacy of the liberalisation of international trade.

It is imperative that the industrialised countries appreciate the fact that market access for our primary commodities and manufactured goods goes a long way towards strengthening the

socio-economic cohesion of developing countries.

This will help cushion the cyclical depressions that the developing countries are subjected to.

Dr Mahathir said the prosperity of countries like Malaysia would contribute to the prosperity of West Germany and other developed countries because then Malaysia and other developing countries "can buy more from them".

In sounding out Malaysia's considerable concern on the anti-tropical timber campaign, Dr Mahathir said the campaign was unworthy of its laudable aims because it grossly distorted facts and was discriminatory in its objective.

He said Malaysia has already undertaken effective measures to conserve its forests, implement reforestation and compensatory plantation programmes along with a reduction of felling rate to maintain its ecosystem.

"We do not just see trees. We are deeply aware of the woods and the need to conserve them," he said.

The Prime Minister also noted Malaysia's appreciation of West Germany's technical assistance and hoped that the existing programme could be further expanded to areas essential to Malaysia's industrial progress.

He said West Germany was the sixth largest foreign investor in Malaysia, a commitment which reflected not only the entrepreneur's confidence in Malaysia's sound economic policies but also in the country's political stability.

★ TURN TO P2. COL 1

Don't let — trade rows endanger talks:

Mahathir

20 SEP 1988

★ FROM PAGE ONE

Dr Mahathir also touched on the recent Jakarta Informal Meeting which involved for the first time all the four Kampuchean factions.

He said the Afghanistan model should not be used in settling the Kampuchean problem as the Afghan accord did not address the question of political settlement in the wake of the Soviet withdrawal.

"In our view, the self-proclaimed unilateral withdrawal of Vietnamese troops by 1990 must be directly linked to a negotiated settlement."

He also thanked West Germany for having helped to settle about 3,500 Vietnamese refugees and hoped all third countries would extend their wholehearted support to Asean's initiative to seek a healthy solution to the problem.

Voicing Malaysia's interest and that of other developing countries, Dr Mahathir said Malaysia supported the Uruguay Round of negotiations.

The General Agreement on Tariffs and Trade (GATT) must be strengthened so that it can adequately respond to the changing pattern of global trade, he said.

"Efforts must therefore be made by all contracting parties to achieve early progress in the Uruguay Round in dealing with trade restrictions and distortions.

"Trade disputes in agriculture, in particular, should not be allowed to reach a point where they jeopardise all current negotiations.

"Malaysia and all developing countries do not only expect firm agreement on the agricultural sector at the mid-term review conference in Montreal in December but also hoped demonstrable progress will be made on as many fronts as possible, including, in particular, concrete results on trade in tropical products."

Earlier, Chancellor Kohl accompanied Dr Mahathir to a welcome with full military honours at the Federal Chancellery after which the two leaders held private discussions.

In the afternoon, Dr Mahathir paid a courtesy call on President Dr Richard von Weizacker.