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R 6603 AAE

MAHATHIR-FOREIGN (EMBARGO) FOR RELEASE AFTER  
8 PM TODAY, SEPT. 30)  
FROM AHMAD REJAL ARBEE

NEW YORK, SEPT. 30 (BERNAMA) -- DATUK SERI DR MAHATHIR MOHAMAD  
HAS EXPRESSED OPTIMISM OVER THE FUTURE OF SOUTHEAST ASIA AND THE  
RESOLUTION OF VARIOUS INTERNATIONAL CONFLICTS ARISING FROM THE  
IMPROVED RELATIONSHIP BETWEEN THE SUPERPOWERS.

HE HOWEVER SAID THAT IN LOOKING FORWARD TO PROGRESS IN RESOLVING  
REGIONAL CONFLICTS, CHINA WOULD HAVE TO BE BROUGHT INTO THE PICTURE  
FOR DISCUSSIONS EITHER FORMALLY OR INFORMALLY.

ADDRESSING MEMBERS OF THE COUNCIL ON FOREIGN RELATIONS HERE  
YESTERDAY ON THE TOPIC (THE CHALLENGES AHEAD FOR REGIONAL AND  
INTERNATIONAL CO-OPERATION) A MALAYSIAN PERSPECTIVE, HE SAID THE  
WORLD WAS FACING AN EXCITING AND CHALLENGING TIME WHICH OFFERED  
VARIOUS NATIONS OPPORTUNITIES TO SURGE AHEAD INTO THE 21ST CENTURY.  
-- MORE

1307MST 30 09 88

0942

R 6607 AAE

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CURRENT DECADE BEGAN ON A NOTE OF PESSIMISM AND GLOOM WITH  
DETENTE AND CO-OPERATION TAKING A BACK SEAT WITH SUPERPOWER  
RELATIONS OPENLY ANTAGONISTIC.

INVADING ARMIES WERE ALSO THEN ENTRENCHED IN AFGHANISTAN AND  
CAMBODIA.

ON THE ECONOMIC FRONT THERE WERE TRADE TENSIONS PRESSURISING THE  
FREE TRADE SYSTEM, US-JAPAN TRADE DISPUTES AND THEIR CONSEQUENT  
IMPACT ON THE ECONOMIES OF OTHER EAST ASIAN AND PACIFIC STATES POSED  
A SIGNIFICANT THREAT TO PACIFIC STABILITY, INDUSTRIAL DEMOCRACIES  
WERE UNABLE TO WORK OUT PRACTICAL SOLUTIONS TO THEIR PROBLEMS  
LEADING TO SERIOUS CONSEQUENCES TO DEVELOPING COUNTRIES LIKE THE  
FORCED APPRECIATION OF THE YEN WHICH ESCALATED YEN-DENOMINATED  
LOANS WHILE FALLING COMMODITY PRICES, INCREASING PROTECTIONISM AND  
UNMANAGEABLE DEBT BURDEN HAD THREATENED TO PLUNGE GLOBAL ECONOMY  
INTO TOTAL ANARCHY.

BUT AS THE WORLD APPROACHED THE END OF THE DECADE THE MOOD OF  
PESSIMISM AT LEAST AT THE POLITICAL LEVEL SEEMED TO BE LIFTING. --  
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1323MST 30 09 88

0943

R E608 AAE  
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HE ATTRIBUTED THIS TO CHANGES BEING BROUGHT ABOUT BY MR. GORBACHEV THROUGH HIS POLICY OF +PERESTROIKA+ AND +GLASNOST+ WHICH WOULD DEFINITELY HAVE A MODERATING INFLUENCE ON THE SOVIET BEHAVIOUR.

+ONCE THE SPIRIT OF DEMOCRACY AND FREEDOM IS KINDLED, IT DEVELOPS A LIFE AND MOMENTUM OF ITS OWN. EVEN THE RUSSIANS ACCUSTOMED AS THEY MAY BE TO THE RIGIDITIES OF 70 YEARS OF CONTROLLED AND UNCHANGING ENVIRONMENT WILL NOT BE ABLE TO STOP COMPLETELY THE CHANGES THAT WILL FOLLOW.+

SUCH CHANGES, HE SAID, HAD INFLUENCED SOVIET APPROACH TO SUPERPOWER RELATIONS. THE SOVIETS WERE NOW WITHDRAWING THEIR FORCES FROM AFGHANISTAN, SOMETHING UNTHINKABLE JUST SOME MONTHS BACK.

IN CAMBODIA THERE WAS NOW GOOD PROSPECT FOR PEACE WITH VIETNAM STRONGLY INDICATING ITS READINESS TO WITHDRAW.

+IN BOTH CASES, IT WILL BE A TRIUMPH FOR SANITY IN INTERNATIONAL RELATIONS. INTERVENTIONISM, AS A TOOL OF STATE POLICY FOR EXTENDING CONTROL AND INFLUENCE HAS NOW BEEN DISCREDITED. -- MORE  
1323MST 30 09 88

0947

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+THIS WILL HAVE A SOBERING EFFECT ON OTHER WOULD-BE AGGRESSORS AND WILL BE CONDUCIVE TO GREATER RESPECT FOR THE PRINCIPLE OF THE UNITED NATIONS.+

DR MAHATHIR EXPRESSED OPTIMISM THAT ALL THE DEVELOPMENTS WOULD HAVE A POSITIVE IMPACT ON OTHER UNRESOLVED CONFLICTS LIKE THE IRAN-IRAQ WAR, THE PALESTINIAN ISSUE AND SOUTHERN AFRICA. THERE WERE ALREADY ENCOURAGING SIGNS IN THE PERSIAN GULF AND ANGOLA.

IN TERMS OF SOUTHEAST ASIA, THE NEW SOVIET POSTURE HAD MANIFESTED ITSELF INTO A MULTI-SIDED EFFORT TO RESOLVE THE FESTERING KAMPUCHEA PROBLEM.

+ONCE PEACE RETURNS TO CAMBODIA THE WHOLE OF SOUTHEAST ASIA WILL SEE A RETURN TO SOUND AND MUTUALLY BENEFICIAL RELATIONSHIP BETWEEN COMMUNIST AND NON-COMMUNIST NATIONS OF THE REGION.+

HE EXPRESSED OPTIMISM THAT SOUTHEAST ASIA WOULD MANAGE THE TRANSITION TO THE 1990S SUCCESSFULLY.

AN ORGANISATIONAL INFRASTRUCTURE WAS ALREADY IN PLACE THROUGH ASEAN WHICH SINCE ITS FORMATION IN 1967 HAD BEEN A MAJOR CATALYST FOR CO-OPERATION AND INSTITUTIONALISING DIALOGUE MECHANISM WITH ITS MAJOR TRADING PARTNERS.

HE BELIEVED THAT THE PACIFIC REGION WOULD DISPLACE THE ATLANTIC AS THE ECONOMIC POWERHOUSE OF THE FUTURE.

BUT THIS WOULD DEPEND ON ACCESSIBILITY OF MARKETS OF EUROPE AND AMERICA.

AS THE DEVELOPING COUNTRIES OF THE PACIFIC RIM PROSPERED, THEY WOULD BECOME GOOD MARKETS FOR THEIR OWN GOODS, DR. MAHATHIR SAID. --  
BERNAMA

1334MST 30 09 88