

Baghdad responsible for Malaysians' safety, says PM

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By Nuraina Samad

KUALA LUMPUR, Wed. — Malaysia holds Iraq responsible for the safety of its nationals there and in Kuwait, Prime Minister Datuk Seri Dr Mahathir Mohamad said tonight.

He also repeated his pledge that the Government would do everything possible to bring the Malaysians safely home.

The Governments of both countries are "naturally responsible" for whoever is in their country, Dr Mahathir said as he stressed the Go-

vernment's concern for the safety of Malaysians in Iraq and Kuwait.

He was speaking at a Press conference at the Kuala Lumpur International Airport in Subang on his arrival from London after a five-day visit to Venezuela to launch the South Commission report.

Dr Mahathir said Malaysia would impose sanctions against Iraq as soon as possible, consistent with the United Nations Security Council decision.

As a member of the council, Malaysia would study

all decisions made by it on the Iraqi invasion of Kuwait, he said.

Dr Mahathir added: "We will wait for further decisions by the council to see what we can do. We would like to see close co-operation among member countries of the UN on a problem which violates the principle of relations between one country and another, specifically between a big nation and its smaller neighbour."

He said Malaysia had adopted a specific stand on the issue. It had never

agreed on any encroachment by a big nation into a smaller one.

He added that it had also never subscribed to the setting up of a puppet Government as a way of solving problems between two countries.

Asked to comment on reports of US troops being deployed in Saudi Arabia, Dr Mahathir said Malaysia would be happier if action taken by any country was based on the UN decision.

On Kuwaiti assets in the country, he said any decision by the Government

would be taken after the crisis was over.

Asked whether Petronas would increase production in view of the oil shortage and increased prices brought about by the invasion, Dr Mahathir said the Government would consider doing so if necessary.

But he said Petronas' capability to increase production was limited and Malaysia "is not happy" to see an excessive increase in the price of oil as this

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oil price,

says

Dr M

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would result in all sorts of effects on the economies of both the rich and poor nations.

Dr Mahathir said Malaysia would like to see oil prices maintained at a suitable level — "not too high and not too low".

He said the suitable price would be that fixed by Opec, which is between US\$20 and US\$21 (about M\$54 and M\$56.70) per barrel.

Commenting on the effect of a possible recession in the United States following the increase in oil prices, Dr Mahathir said Malaysia's prosperity was also dependent on that of the world.

"We do not want to see anyone go through a recession. We are selling goods and products. If people are not doing well economically, then they are not going to buy.

"We can benefit from a more prosperous world."

On whether Malaysia would review policies following the development in the Gulf region, he said: "We always recalculate. All the time we study what is happening in the world and we design our policies in order to take advantage or accommodate the changes in the world."