

# China a dialogue partner of Asean?

By SHARIF HARON

THERE is a possibility that China can become a dialogue partner of Asean, Prime Minister Datuk Seri Dr Mahathir said last night.

He said this is because China is a potentially powerful economy and is an integral part of the Asia-Pacific region. The Prime Minister voiced this possibility at a dinner he hosted at his residence in Kuala Lumpur for visiting Chinese Prime Minister Li Peng.

Datuk Seri Dr Mahathir also said Malaysia feels that China ought to play an important role in the formation of an economic bloc among countries in East Asia, a new initiative which Malaysia will be pursuing.

Mr Li arrived yesterday for a four-day official visit with a 49-member delegation which includes Foreign Minister Qian Qichen.

At present, Asean has six dialogue partners: Australia, the European Community (EC), Canada, Japan, New Zealand and the US. The 23-year-old Association of South-East Asian Nations comprises Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

Datuk Seri Dr Mahathir said the fact that Mr Li is visiting the South-East Asian countries again, his second in the last half year, testifies to the importance China places in maintaining good relations with countries in this region.

On Malaysia's view favouring China playing a key role in the economic bloc initiative, Datuk Seri Dr Mahathir said while Malaysia disagrees with the formation of such blocs, many developed countries in the West have formed them and are using their economic strength to obstruct fair and free trade.

Besides the unification of the European market, the US has formed a joint market with Canada and now with Mexico as well. The US is now making efforts to attract the Central and Latin American states so that there will evolve a stronger economic link for North and South America. Then there is the possibility that the East European countries may join the EC soon.

"However, as soon as countries in the East are seen by the West to achieve the status of a developed nation, various measures are taken by the West to frustrate them.

"In such a situation, Malaysia has re-examined its stand and is of the view that for the

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world to achieve balanced economic development, the countries of the Asia-Pacific region should strengthen further their economic and market ties so that eventually an economic bloc will be formed to counter the other economic blocs," Datuk Seri Dr Mahathir said.

The Prime Minister, who visited China in 1985, said Malaysia's relations with China remain on course and economic relations continue to improve.

"Thirteen joint investment projects between Malaysian entrepreneurs and China's state corporations have been set up to date, totalling US\$500 million in value terms.

"In Malaysia, seven joint ventures with Chinese interests have already been approved," Datuk Seri Dr Mahathir added.

*Bernama* adds: Mr Li said China will "unswervingly" pursue a policy of reform and opening-up which requires a stable and united domestic and international situation. China, he said, now enjoys political and social stability, and its national economy is developing on a sound basis.

It is ready to maintain and develop friendly relations and cooperation with all countries, including Asean, he added.

Referring to Malaysia-China relations, Mr Li said bilateral ties in recent years have reached a new high, with marked increases in economic cooperation and trade.

The Chinese Government and people treasure the friendship it has with Malaysia and he is convinced that both countries will endeavour to achieve greater success in all areas of cooperation.