

Dr M: US trying to ruin efforts to form group

KUALA LUMPUR, Tues. — Datuk Seri Dr Mahathir Mohamad said today the United States is trying to scuttle Malaysia's efforts to form the East Asia Economic Group.

"I am aware of the attempt by the United States to dissuade a country from taking part in the economic group. But this will not stop us from going ahead," he said in reply to newsmen here after opening a conference on Labuan.

The Prime Minister did not name the country, but some speculated that he might be referring to Japan.

Asked whether he would meet US officials to discuss the matter, he said: "It is not for us to talk to them."

He said that when the

United States formed a common market with Canada, Malaysia was not involved and its views were not sought.

He said all countries had their own interests, and gave priority to them.

"They hold to the importance of the United States, and do not like other countries co-operating as this could affect their hold on the world economy," he added.

The AFP news agency had reported that the United States feared the proposed grouping would hurt free trade.

The agency, quoting sources, said the United States had told Asean countries that their interests were better served by working with Washington to restart the stalled GATT (General Agreement on Tariffs and

Trade) negotiations.

Dr Mahathir proposed setting up the group in December after GATT talks in Brussels were suspended because of differences between the United States and the European Community over farm subsidies.

Asked if the United States move would make it difficult for Malaysia to make the group a reality, he said: "We are prepared to face all obstacles and difficulties."

He also said Malaysia was willing to be patient and had not fixed any time-frame to form the group.

International Trade and Industry Minister Datuk Seri Rafidah Aziz said today the proposal to set up the group had been endorsed by the Asean governments.