

A RICHER MARKET

KUALA LUMPUR, Sat. — Datuk Seri Dr Mahathir Mohamad said tonight that the proposed East Asia Economic Group may become an even richer market for the Western nations than Asean has.

"If Asean's development has made the group a rich market for the developed countries, will not a rich EAEG constitute an even richer market for Europe and America?" he asked.

The Prime Minister said Malaysia was "bewildered by the vehemence of the condemnation" of the EAEG.

"The way we see it, only those not in favour of free trade would object to a grouping that is dedicated to ensuring free trade," Dr Mahathir said at a dinner in honour of Japanese Prime Minister Toshiki Kaifu at Sri Perdana.

Dr Mahathir compared EAEG to

Asean, saying Asean was not a trade bloc, just "a mutual help, non exclusive fraternity of nations."

He said every member was free to trade with non-Asean countries, yet by being grouped together through Asean the members had not only prospered but trade among them and with the rest of the world had multiplied.

"The lessons of Asean were well learnt when the EAEG was proposed," he said, adding that it was unthinkable for any Asean member to advocate exclusive regionalism.

He said 50 per cent of Malaysia's trade was taken up by the developed American and European countries. "It would be suicidal for Malaysia to want to trade with only East Asian countries."

Dr Mahathir said the EAEG proposal was therefore not intended to close the East Asian markets to Europe or America.

The move, he said, was to allow East Asian countries to voice collectively in favour of free trade at all forums involved with the future of the world trading system.

"An East Asian economic community or an East Asian exclusive free trading zone is very far from our minds," Dr Mahathir said.

"We are told that some quarters do not understand the objectives of the EAEG. We accept that while no explanation is due to us when others take action which affect us we, however, are required to explain what we want to do.

"We were not consulted when others erect barriers against us, but can we not form a group that is nothing more than a forum to enable us to discuss how to preserve free trade and to help each other become more economically developed?"

Dr Mahathir said many of the rich nations still favoured restrictive trade and policies which stifled the growth of poor nations.

To Japan, Dr Mahathir said Malaysia recognised the need for Japan and Asean to extend greater co-operation and assistance to all Asian states on the Pacific seaboard to promote regional trade and solidarity.

For Malaysia, he said, the "Look East" policy had contributed greatly to the economic development of the country through training Malaysian youth in the technology and ethics of Japanese industries.

"More significantly, it has generated goodwill and friendship between the peoples of Japan and Malaysia," he said.