

'NO' TO MERGER

US and Canada can't join EAEC, says Mahathir

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Malaysian embassy.

KUALA LUMPUR: Malaysia has ruled out a suggestion to merge the East Asian Economic Caucus (EAEC) with the Asian Pacific Economic Co-operation (Apec).

Datuk Seri Dr Mahathir Mohamad said the proposal was not possible as the United States and Canada, both Apec members, were not suitable for inclusion into the EAEC.

He said the two countries were already part of the North America Free Trade Agreement (Nafta) group.

Dr Mahathir said he would meet top Japanese businessmen during his visit to Tokyo from Wednesday to open the

"I will explain to them what the EAEC is about and why it cannot accept the United States as a member," he said after a prize-giving ceremony to mark the end of Police Day celebrations yesterday (See Page 3).

It was reported last month that the Japanese government might suggest the merger of the EAEC and Apec.

A Foreign Ministry spokesman was quoted as saying that the proposal was one of many ideas being floated.

Dr Mahathir said the United States could not be part of the EAEC, "just as it cannot be a member of the European Community."

He said the United States was not part of Europe although it was located

nearer to Europe than Asia."

Asked whether he would meet Japanese Prime Minister Kiichi Miyawara to woo his support for the EAEC, he replied: "If I meet him."

However, Dr Mahathir said he did not wish to impose his views about the EAEC on the Japanese.

He said he would meet former Prime Minister Yasuhiro Nakasone to exchange views on various issues.

Dr Mahathir said he would also visit the Oito prefecture, a thriving industrial district with each area specialising in a particular industry.

"The prefecture has ties with Kedah and we hope the methods used there can be applied in Kedah," he added.

On last week's historic decision to

set up a European economic union, Dr Mahathir expressed fear on the implications of the powerful single European market and its possibility of becoming a trade fortress.

As to the creation of an Asean Free Trade Area to compete with such trade blocs, the Prime Minister said the implementation of the Asean project would be slow, and would take off only after 15 years.

Dr Mahathir also said Malaysia supported the inclusion of Vietnam as a dialogue partner with Asean.

Dr Mahathir also said that Malaysia was ready to provide aid to Cambodia in the form of technical co-operation.

He said Malaysia was also prepared to help rebuild Cambodia's economy.