

World Bank yardstick not practical, Dr M tells Miyazawa

PM: Don't use guideline

From
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TOKYO, Tues. - Prime Minister Datuk Seri Dr Mahathir Mohamad said today that the World Bank guideline tying Official Development Assistance (ODA) to the recipient country's per capita income based on the US dollar was no longer practical.

Under this guideline, countries with per capita exceeding US\$2,335 cannot enjoy cheap loans. (Malaysia's per capita is US\$2,448 (current prices).)

Dr Mahathir said this yardstick was established long ago when the US dollar was strong compared with the yen. Now the yen has appreciated against the US dollar.

He raised this matter with Japanese Prime Minister Kiichi Miyazawa when they met today.

Speaking to Malaysian newsmen after the meeting, Dr Mahathir said he told Mr Miyazawa that this criterion should no longer be used for soft loans.

Dr Mahathir said the Japanese Prime Minister laughed and added that Japan did not take into account the exchange rate when it gave soft loans and that followed the World Bank guideline.

Dr Mahathir who described his meeting with Mr Miyazawa as a "courtesy call" also discussed bilateral relations, the situation in Southeast Asia and the Korean Peninsula with the Japanese leader.

They also talked about trends in democracy during which Dr Mahathir made

the point that individual countries should not interfere in the internal affairs of other nations.

During his current visit, the Prime Minister also had talks with corporate leaders, including those in Daihatsu, Mitsubishi and Bank of Japan.

Tomorrow, Dr Mahathir will meet business leaders before continuing with his working visit to South Korea on Thursday.

Earlier, Dr Mahathir opened Malaysia's new embassy complex here, describing it as a symbol of the co-operation and friendship between Malaysia and Japan.

"The construction of the complex is a source of pride for us," he told a gathering which included Japanese Deputy Prime Minister Michio Watanabe, who is also Foreign Minister.

"Its design, incorporating a harmonious blend of traditional Malay, Islamic and Japanese architecture will, I hope, contribute to the architectural diversity of Tokyo, thus further enhancing its cosmopolitan character."

Dr Mahathir said Malaysia and Japan had always enjoyed warm and friendly relations.

Japan is not only Malaysia's largest trading partner and foreign investor, but has also inspired the country in its effort towards economic development.

"Japan almost without exception is a beacon of inspiration to the developing

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Malaysian

marble and

timber used

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countries in our region," he said.

"Hence we would encourage Japan to play a leadership role in the economic development of the Asia-Pacific region."

"I have faith that the good relationship between Japan and Malaysia will continue to grow and the new chancery which we see today will be used as a vital facility for that relationship."

Earlier in the day, Datin Seri Siti Hasmah Mohd Ali opened a block of embassy staff apartments in Kami-meguro, a 10-minute drive away from the embassy.

The four-storey embassy complex is a blend of Malaysian and Japanese characteristics. One such example is the "kekka" design (Japanese word meaning spiritual boundary).

Unlike a "wall" as is commonly understood to divide spaces, the "kekka" screen, made up of concrete grids filled with traditional Islamic patterns, allows light, wind, sound and view to filter through.

The building was designed and constructed by Shimizu Corp. Malaysian marble and timber were used.

Picture of
Dr Mahathir and Mr
Miyazawa in Page 18.