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MAHATHIR CONVINCED EAEC CAN BECOME REALITY IN FIVE YEARS

Mahathir - Asean

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SINGAPORE, Jan 26 (Bernama) -- Malaysian Prime Minister ⁹² ~~Datuk Seri Dr Mahathir Mohamad~~ ^{Tip over 10000} said today he is convinced the proposed East Asia Economic Caucus (EAEC) can become reality in five years or less.

He said it was normal for any proposal at international level, including Asean initiatives, to take time to be realised.

+As for the EAEC, I believe it can move forward faster and will become reality in five years or before the next Asean summit,+ he told Malaysian journalists here.

The next summit could come in three years time as there is a recommendation before the fourth summit, which opens here tomorrow, to endorse that formal meetings of the heads of government be held every three to five years.

Datuk Seri Dr Mahathir said his conviction on "the realisation of the EAEC was based on the fact that Asean had achieved considerable progress compared to other regional groupings.

He said some groupings held meetings more frequently but failed to achieve progress to match, adding that Asean was acknowledged to have made progress that, it could 'be proud of.-- more

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Mahathir - Asean 2 Singapore

The Prime Minister said that in spirit even if the EAEC had yet to be established, free trade could be initiated by obtaining a common view from as many countries as possible for the next round of GATT (General Agreement on Tariffs and Trade) talks.

However, he expressed concern that Asean was unable to take a stand on the GATT negotiations, particularly with regard to the United States conducting bilateral arrangements with Japan.

Commenting on the United States' negative statements on the formation of the EAEC, he said the United States had said that it was its responsibility 'to ensure that no third trading bloc emerged in the world.

This itself showed that the United States acknowledged itself as being **Part Of** a trading bloc, he added.

+That statement is acknowledgement enough because when Europe and America can be trading blocs, East Asia cannot be one. In fact, we do not have the intention to be a trading bloc,+ he said.

Datuk Seri Dr Mahathir said that in response to the United States' statement, Asean should resort to informing potential members of the EAEC of the actual situation. -- more

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He said that if the document on the EAEC was accepted by all the Asean heads of government, it would be in keeping with the decision made at the Asean Economic Ministers Meeting (AEM) in Kuala Lumpur last October and the subsequent meetings held here.

+We are not asking for anything more because, for us, the EAEC is in accordance with the original proposal,+ he said. Malaysia had Proposed the East Asia Economic Group (EAEG) which was renamed to the EAEC at the AEM in Kuala Lumpur,

Referring to the two other proposals before the summit -- the Common Effective Preferential Tariff (CEPT) Agreement and the Asean Free Trade Area (AFTA) -- he said both were constructive and had Malaysia's support.

Asked about his meetings with the other Asean leaders, Datuk Seri Dr Mahathir said nothing specific was discussed because much of the discussions had been conducted at the level of ministers.

He said it had become the procedure for Asean heads of government to endorse the recommendations of their ministers based on the outcome of the meetings. -- Bernama

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