

Call to boost intra-Asean trade and investment

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By K. P. Waran

KUALA LUMPUR, Wed. — Earnest efforts must be taken to increase trade and investments between Asean nations to enable Asean to quickly grow into a truly dynamic organisation capable of meeting the challenges posed by regional economic groupings.

Prime Minister Datuk Seri Dr Mahathir Mohamad said Asean must be prepared to examine different concepts and levels of co-operation that would contribute to the strengthening of Asean as a whole.

"Malaysia's keenness to discuss with Thailand and Indonesia on a sub-regional approach to economic co-operation, specifically the Northern Growth Triangle involving the northern states of Malaysia, the provinces of south Thailand and northern Sumatra, was motivated by this desire," he said.

Speaking at a dinner he hosted for visiting Thai Prime Minister Chuan Leekpai, Dr Mahathir said in view of the mutual advantages that can be gained, he

hoped the Thai Premier would give the idea due consideration and attention.

"It is only through greater economic strength and cohesion can Asean play an effective role in safeguarding its interest in the larger world, including the protection of free trade which is so vital to Asean's prosperity," he said.

On the protection of free trade, he said, Asean officials have been tasked with deliberating ways to advance and implement Malaysia's initiative of the East Asia Economic Caucus, the central objective of which is to provide a forum for consultation on free trade and other related development issues.

He voiced his appreciation for Thailand's support for the concept which, he said, Malaysia viewed as vital in the light of the emerging protectionist tendencies among regional economic groupings as well as the uncertainties over the Uruguay Round of GATT multilateral trade negotiations.

On bilateral economic ties, he said trade between the two countries had in-

creased steadily and pointed out that in 1987 total bilateral trade amounted to \$2.4 billion which rose to \$5.4 billion in 1991 thus making Thailand Malaysia's second largest trading partner in Asean and 14th largest foreign investor.

"Notwithstanding this impressive range of co-operation, more needs to be done in order to tap the full potential of trade and economic opportunities available in each other's country.

"The ending of the communist threat along our common border had opened new scope for co-operation both at government and private sector levels in the economic as well as social fields," he said.

On the Cambodian issue, Dr Mahathir expressed concern over the refusal of the Khmer Rouge to participate fully in the peace process and added that such a stand runs the risk of plunging the country back into civil war thus affecting the peace and stability of the region.

He appealed to the leaders

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Talks to centre on enhancing co-operation

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and Thai Ambassador to Malaysia Surapong Pongsayakond.

After the welcoming ceremony, Dr Mahathir accompanied Chuan to Carcosa Seri Negara where the Thai Prime Minister will be staying.

The Yang di-Pertuan Agong Sultan Azlan Shah later granted an audience to Chuan at Istana Negara. Dr Mahathir hosted a dinner for Chuan and his entourage at Seri Perdana last night.

Foreign Ministry secretary-general Tan Sri Ahmad

Jaafar said talks between the two Prime Ministers tomorrow and discussions between the officials of the two countries would centre on enhancing bilateral co-operation in economic, security and other areas.

He said border problems, including encroachment into Malaysian territory, would once again be high-

lighted with a view to ensuring that such problems do not recur.

He said the issue of Cambodia will be discussed to probe possible strategies to bring about an amicable solution to the problems besetting the war-torn nation, adding that the issue of the Asean Free Trade Area was also on the agenda.