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Mahathir-EAEC
EAEC NOT A GRADE BLOC, MAHATHIR TELLS MIYAZAWA
(EMBARGO: For use after 10.30 pm today, Jan 14)

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KUALA LUMPUR, Jan 14 (Bernama) --- Prime Minister Datuk Seri Dr Mahathir Mohamad tonight came out in strong defence of his proposal for the East Asia Economic Caucus (EAEC) at a dinner he hosted for visiting Japanese Prime Minister Kiichi Miyazawa.

Dr Mahathir, who avoided raising the matter in his two-hour talks with Miyazawa earlier in the day, chose the dinner to extol the virtues of the EAEC which Miyazawa had referred to as a trade bloc in an interview with the Business Times newspaper published today.

Dr Mahathir told Miyazawa that he fully appreciated Japan's position on the EAEC but said: +I merely want to explain that the EAEC is not a trade bloc. It is only a regional forum.+

Miyazawa, in his written response to questions posed by the newspaper, ruled out Tokyo's support for a trade bloc in East Asia, saying that protectionism would best be fought by the early successful conclusion of the Uruguay Round of multilateral trade talks.

In his speech over dinner at his residence +Sri Perdanat+, Dr Mahathir said there was a tendency to think of regional groupings as a trade bloc although Asean, one of the most successful regional groupings, had been around for almost 25 years without becoming a trade bloc. -- more

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REPEAT

Mahathir-EAEC 2 Kuala Lumpur (EMBARGO)

Japan has so far been reluctant to commit itself to the EAEC which Dr Mahathir mooted in 1990 due to the strong opposition from the United States, its largest trading partner.

Devoting much of his speech to the subject, Dr Mahathir said Asean countries -- Brunei, Indonesia, Thailand, the Philippines, Singapore and Malaysia -- individually and collectively had remained open to trade with the rest of the world but yet had uniformly prospered.

+What I wish to point out is that regional groups need not become trade blocs in order to benefit from the grouping,+ he said.

EAEC, he said, would be a mere forum of countries which acting separately had not been able to influence decisions taken at international trade talks.

If these countries had taken a common stand and spoken with one voice, it would be difficult for the international community to ignore their common views, the Malaysian leader argued. -- more

▼14/01/20-07MST

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Mahathir-EAEC 3 Kuala Lumpur (EMBARGO)

Since all the East Asian countries were trading nations much dependent on a free trading system, Dr Mahathir said they would be able to preserve free trade and combat protectionism.

+A forum consisting of the countries of East Asia will enable them to come together to discuss these common problems and to decide on their common stand. The EAEC can be such a forum,+ he added.

The Prime Minister said that like the Asean countries, other countries belonging to the EAEC were bound to learn from each other the right approach to economic development; including through investments and access to each others' market.

+In the end, without ever closing their markets to trade with the rest of the world, the members of the EAEC are bound to prosper. Indeed, even now the process of learning from each other has yielded results.

+How much more successful will their development be if they sit around a table to discuss ways and means to help each other and to promote intra-regional trade,+ he said. -- more

▼14/01/20-10MST

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aae tbe

Mahathir-EAEC 4 Kuala Lumpur (EMBARGO)

Dr Mahathir also welcomed the practice of Japanese Prime Ministers in consulting leaders of East Asian countries prior to attending meetings of the Group of Seven (G-7) industrialised countries.

But he said since the views were given without prior consultation between the East Asian countries themselves, it was more likely that conflicting views would be expressed and the subjects too might differ.

To overcome this, he suggested that East Asian countries meet to identify their common problems and arrive at a common stand to enable more effective representation by Japan on their behalf at G-7 meetings.

+The Japanese Prime Minister will then be able to represent the East Asian countries more forcefully. This again should prove the usefulness of the EAEC,+ he added.

The Malaysian Prime Minister also praised Japan for its recent decision to send troops on peace-keeping mission to Cambodia under U.N. auspices.
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Mahathir-EAEC 5 (last) Kuala Lumpur (EMBARGO)

Miyazawa, in his speech, completely avoided mentioning the EAEC but instead spoke mainly on Malaysia's economic success achieved especially under Dr Mahathir, whom he described as dynamic and courageous.

+This is my first visit to your beautiful country since 1976. I am deeply impressed by the changes added to the city (Kuala Lumpur),+ he said.

Miyazawa said Malaysia had made a phenomenal economic progress while consolidating political stability, adding that this was no easy task.

He reaffirmed Japan's continuing support for Malaysia's development programmes, saying that after a decade of Malaysia's +Look East+ policy, Japan had trained over 3,000 Malaysian youths in various skills.

+Building on the success of our bilateral ties, we will be able to enhance our relationship to become a mature partnership for a broader economic and political cooperation,+ he said.

+This would benefit peace and prosperity of the entire Asia-Pacific region and the world in the next century,+ said Miyazawa who flies to Bangkok tomorrow before going on to Brunei to complete his tour of four Asean countries. His visit started in Indonesia. -- Bernama

♥14/01/20-22MST