

# Mahathir's speech on EAEC makes headlines

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TOKYO Datuk Seri Dr Mahathir Mohamad's speech on the East Asian Economic Caucus at the Asia Society's international conference has been given prominence in Japanese and international newspapers.

The English-language Japan *Times* put the EAEC issue on page one with the heading "Mahathir lays out role of planned Asian group."

The report said Dr Mahathir tried to clarify the EAEC proposal, saying it

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was not a trading bloc for East Asia and the idea was meant to counter trends towards regional groupings in other parts of the world, namely the European Community and the North American Free Trade Agreement.

The newspaper also quoted South Korean Deputy Prime Minister Kyung Shik-lee as saying that the EAEC may be a good way to counter the US trend toward managed trade in resolving disputes.

Apparently referring to US attempts to set numerical exports to Ja-

pan, Lee said the EAEC may be effective in tackling any bilateral trade arrangements that stifle regional co-operation under the Asia Pacific Economic Co-operation (Apec).

"Lee's remark represents a slight shift in policy toward the EAEC. Seoul had regarded it as a potential trade bloc," it reported.

The Asian Wall Street Journal, describing Dr Mahathir, as outspoken, said he went "into unusual lengths to stress that such a grouping wouldn't exclude the US or other countries."

The financial daily, also in a page one item, said Dr Mahathir "took a number of his trademark jabs at what he portrayed as the economic decline and naive idealism of the West."

It reported: "His explanation for the current chaos in Russia and Eastern Europe: They were made to believe that democracy plus market economy equals peace and prosperity."

The newspaper said the Bush Administration opposed "Dr Mahathir's idea" but the Clinton Administration had yet to make its position known.