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Mahathir-EARC

EARC CAN FUNCTION OUTSIDE APEC, SAYS MAHATHIR

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LANGKAWI, July 18 (Bernama) -- Datuk Seri Dr Mahathir Mohamad said today Malaysia is confident that the proposed East Asia Economic Caucus (EARC) can function effectively without being tied down to other organisations.

He said Malaysia did not have objections to a suggestion that the EARC be a caucus within the Asia Pacific Economic Cooperation (Apec), but would rather see the EARC as an effective organisation on its own.

Speaking to reporters at the Langkawi International Airport, after sending off President Suharto of Indonesia, who was on a three-day working visit here, the prime minister said Malaysia felt that the caucus should not be tied down to other other organisations.

"However, Malaysia is willing to listen to other Asean partners' views on the issue," he added.

Citing the North American Free Trade Area (Nafta) involving the United States, Canada and Mexico as an example, Dr Mahathir said Nafta had been functioning on its own without being part of Apec.

"The EARC is no less than Nafta and thus it is still possible for the EARC to function outside Apec." -- more

AHH JK

▼18/07/17-14MST

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Mahathir-EARC 2 Langkawi

Dr Mahathir said the Asean Ministers Meeting in Singapore next week would be discussing the pros and cons of the various modalities as outlined in the Asean Secretary-General's paper on the EARC.

The prime Minister said that, during his 2-1/2-hour private meeting with Suharto yesterday, the president had expressed Indonesia's full support for the objectives and concept of the EARC, but had wanted it implemented in a more effective way.

The discussions centred on the advancement of the EARC proposal on its own and in the context of implementing the caucus within Apec, he said.

Asked whether he stood by his stand not to attend the Apec heads of government meeting in Seattle as proposed by US President Bill Clinton, he said that he had already made up his mind not to go.

Dr Mahathir said Suharto told him that he would consult other Asean leaders' views on the proposed Apec summit and the Indonesian leader had not committed himself during his meeting with Clinton in Tokyo recently.

Suharto was in Tokyo where he met G-7 leaders including Clinton and Japanese Prime Minister Kiichi Miyazawa of Japan on a bilateral basis. -- more

AHH JK

▼18/07/17-35MST

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Mahathir-FAEC 3 Langkawi

On the discussions on the FAEC-Apec issue, Suharto had voiced his concern about China and what China would say if Taiwan was represented at a certain level, Dr Mahathir said.

He also said that Suharto told him at length what, he (Suharto) had discussed with the G-7 leaders, about his views of G-7 vis-a-vis developing countries and trade issues.

The prime minister said he briefed Suharto on his observations during his 10-day trip to China recently.

He told Suharto of the continuous development in China, of the strong Chinese economy and of China as a powerful neighbour, and as such the need to "re-adjust our thinking of the situation."

Replying to a question, Dr Mahathir said he and Suharto had not discussed any security matter pertaining to the United States, Russia or China as "we do not feel threatened by these countries". -- more

AHH JK

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Mahathir-FAEC 4 (last) Langkawi

Other areas discussed were the Bosnian tragedy, international trade, the overlapping claim on Sipadan and Ligitan islands, Indonesian migrant workers and the proposed northern triangle development growth area involving Sumatra (Indonesia), south Thailand and the northern states of Peninsular Malaysia.

Dr Mahathir said he and Suharto had similar views on these bilateral, regional and international issues.-- Bernama

AHH JK