

EAEC needs more clout, says PM

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KUALA LUMPUR: The concept of an East Asia Economic Caucus (EAEC) must be firmed up further as no Asian country alone, however powerful, can match the combined clout of groupings in Europe and North America, Datuk Seri Dr Mahathir Mohamad said.

The Prime Minister said yesterday countries of East Asia must work together as the need to

balance regional groupings elsewhere was obvious.

He stressed that EAEC was a result of and intended for open regionalism. On the one hand, it recognises the need for regional co-operation and integration and, on the other, it promotes free trade.

"No-one need fear an Asian grouping," Dr Mahathir said, adding that Europeans and North Americans were much more homogenous than

Asians and it is impossible for Asians to think of themselves as being of one race and colour.

"So the idea of an integrated Asian community borders on the ridiculous," he said at his opening address of the *Pacific Rim Business Collaboration* symposium last night.

Dr Mahathir said EAEC was designed to discuss economic problems and, to a certain extent, help pull up those among the East Asian countries

which were lagging behind.

He said although East Asia had achieved remarkable success and demonstrated strong, resilient growth, the future was full of uncertainties.

Therefore, he said, it was all the more imperative for nations of East Asia to work together cohesively.

Dr Mahathir noted that despite poor economic

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Country's
success
'not an
accident' *

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performances elsewhere, the East Asian economies continued to experience high growth and this trend was expected to continue.

Malaysia's economic transformation and success did not come about by accident but was the product of much hard work combined with a work ethic that was compatible with industrial peace and high productivity, he said.

Dr Mahathir believed that strong, stable governments were a major pre-requisite for success.

He said Malaysia was socially stable although its people differed in culture, religion and philosophy because Malaysians believed in compromise and shared a common desire to see the country remain peaceful and prosperous.