

Southeast Asia will benefit from its prosperity,

# Dr M: Do not fear

Foreign Trips 2

## From Calvin Goh

BEIJING, Wed. — Southeast Asia should have no fear of a wealthy and strong China, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

"Indeed Southeast Asia should welcome a wealthy China. It will share the wealth through trade and economic interaction."

He said a prosperous China would become the engine of growth, firstly, for East Asia including Southeast Asia, and then the world.

"If the 1.2 billion Chinese were half as rich as the Americans, the size of the market will be almost unimaginable."

Dr Mahathir said that although it could be expected that China would export to the world, it would still have to buy a lot of things from the rest of the world.

"Southeast Asian countries would have at their doorsteps a huge market for their edible oil, gas and petroleum products, and even manufactured goods."

"On the other hand, China cannot remain competitive forever. Its cost of production will go up and its ability to export would be reduced. Southeast Asian countries would continue to benefit."

ing the meeting which has as its theme "The Chinese Socialist Market Economy: Co-operation With Global Business".

Dr Mahathir said the Chinese had found in the "socialist market economy" an answer to their political and economic needs.

Admittedly, spreading wealth evenly in a market economy was far more difficult than spreading poverty evenly through the command system, he said.

"There will be many political problems, not least the demand for greater public participation in the political process."

"The Government will have to give in, fighting

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rearguard action all along the retreat. There may even be some upheavals and bloodshed along the way.

"But the Chinese are likely to handle them better than the Russians or the Yugoslavs."

He said the question of Chinese aggression occupied much of the Western mind.

This was because his-

Beijing forum told

# China

Dr Mahathir was speaking on "The Socialist Market Economy of the People's Republic of China: An Asean Perspective" at the 1994 China Summit Meeting, a high-profile economic forum.

The two-day conference is organised by the *International Herald Tribune* and China's State Commission for Restructuring the Economy.

About 250 foreign businessmen, mostly chief executive officers and company presidents, and 140 Chinese CEOs are attend-

torically hegemony and violent or peaceful occupation of territories had always been the West's approach to self-preservation, he said.

"So, now they naturally suspect China of having similar ambitions."

Dr Mahathir said that if Southeast Asia was not apprehensive of Japan, it should not be worried about China.

"If we must be apprehensive, we must be apprehensive of both.

"The presence of a Western power will not make a

difference especially after Haiti, Somalia, Bosnia and Rwanda. It takes only one soldier to be killed before the whole force will be withdrawn."

Earlier, Dr Mahathir said he could not speak for Asean but felt reasonably sure that his views were very close to a consensus of the thinking not only of Asean but also of all East Asia.

"As Asians, we intuitively understand what China is attempting to do. We intuitively understand why China is doing what it is attempting to do.

"We intuitively understand how China is going about the entire process of revolutionising its society and building towards a place of pride and comprehensive prosperity for its people in the 21st century.

"Perhaps, this is because almost all of us are trying to do the same in the best way we know how, given the complexities of our own specific situations, given the enormous obstacles that stand in the way, and the incredible opportunities that are before us."

Dr Mahathir arrived here last night for a working visit after a four-day

unofficial trip to the United States where he was invited to the White House by President Bill Clinton.

He later met Premier Li Peng. Tomorrow, he will call on President Jiang Zemin who will host a dinner in his honour.

He will also witness the signing of a Memorandum of Understanding for the development of the car

manufacturing industry in China.

The signatories are Edaran Otomobil Nasional, China North Industries Group, China Aerospace Corporatisation, Aviation Industries of China, Mitsubishi Motors Corporation and Mitsubishi Corporation.

Dr Mahathir will leave for home on Friday.