

Apec should remain as an informal

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KUALA LUMPUR, Mon. — Prime Minister Datuk Seri Dr Mahathir Mohamad said the Asia-Pacific Economic Co-operation (Apec) should remain as an informal grouping although Malaysia will follow the wishes of other countries in determining its future.

Dr Mahathir said Apec should not be formalised but be a grouping where

problems and programmes could be discussed in order to help the less developed countries catch up with the rest.

However, he said if other member countries wanted the grouping to have a permanent secretariat and staff and have their leaders meet every year, then Malaysia "would have to allow itself to be dragged" (along).

The Prime Minister was replying to questions from participants of the 27th International General Meeting of the Pacific Basin Economic Council (PBEC) here. He had earlier delivered the

keynote address.

He said Apec at this point of time should be a loose pact of organisations so that member countries could get to know each other better, with meetings once in a while.

Dr Mahathir said when the idea of Apec was mooted, Malaysia was very concerned that powerful countries would become members of Apec and impose their will on "those who are weak."

Apec, the world's biggest regional grouping, links 18 Pacific Rim countries including the United States,

North America, Australia and New Zealand.

At a Press conference later, Dr Mahathir said he would attend the Apec leaders informal summit in Jakarta in November.

"I have been invited and I will go," he said. However, he maintained that regular meetings of Apec leaders would not be necessary as he did not think that much could be achieved from such meetings.

On the East Asia Economic Caucus (EAEC) which was mooted by Malaysia, Dr Mahathir said he hoped the caucus could be formed as

grouping, says Dr Mahathir

soon as possible.

He said there was reluctance among certain countries to join the caucus and he hoped to be able to convince the countries to join the caucus soon.

Asked to reveal the names of these countries, Dr Mahathir said: "They shall remain unknown."

However, he said as far as China was concerned, it had made it clear that it would support the EAEC.

Dr Mahathir also said that he was strongly in favour of the United States renewing the Most Favoured Nation (MFN) status on China.

"China is hopeful that the US will see its point of view and grant it MFN. This is the first time that China needs the world as much as the world needs China," he said.

He also said that China has made tremendous change, even in the political area and had certainly become a much more open country now than it was before.

"On the other hand one cannot expect China to flip over 180 degrees and suddenly become a great democracy, accepting all that is meant by the open mar-

ket."

Dr Mahathir also said that Asean was keen to welcome Vietnam and Cambodia as its members as soon as possible.

"The more we keep them out, the less they will change," he said.

On the so-called arms race within Asean, Dr Mahathir said he did not think that there was such a race in the region.

As countries prosper, they have to spend a certain amount of their revenue on arms.

"There is bound to be an increase in the number of

arms purchased by these countries. We do not regard it as an arms race or something that is very negative.

Citing the case of China, he said with growing prosperity, would probably have a bigger navy and air force in future.

"We have to take a very pragmatic approach to what is sometimes called the danger of rearmament.

"If the whole world decides to have a check on everybody's arms and actually applies an equitable formula, I think we can stop this danger of rearmament," he added.