

PM: We will explain EAEC to the US

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KUALA LUMPUR: Malaysia is disappointed with the US stand on the East Asian Economic Caucus (EAEC), Datuk Seri Dr Mahathir Mohamad said yesterday.

However, the Prime Minister said Malaysia would not allow the US opposition to the EAEC influence the good relations both countries shared.

He said the country would explain to the American leaders that the EAEC concept was not a trade bloc.

Dr Mahathir said this after opening the World Islamic Civilisation Festival '94 here.

He said while Malaysia was disappointed with the US stand, he hoped that Japan would not be influenced by it.

"We don't understand why it is rejected when it is not a formal organisation but merely a forum," he said.

Dr Mahathir added that Malaysia accepted the formation of the North American Free Trade Area but it was not "vice-

versa" with the EAEC.

On Wednesday, a Kyodo report quoting Japanese and Asean officials said the US embassy in Tokyo had conveyed to the Japanese government on June 7 Washington's opposition to the EAEC proposal.

However, Japan had on Thursday said the opposition did not mean Japan will follow the US stance.

Meanwhile, Bernama reports that Japan is expected to decide on its stand on the EAEC before the Asean Post-Ministerial Conference (PMC) in Bangkok next month.

Sources close to the Japanese Foreign Ministry told Bernama correspondent A.S. Morita that the Japanese government would make the final decision on EAEC before the Asean PMC scheduled from July 26-28 which Japan will attend as a dialogue partner.

The Japanese government was seriously studying the possibility of participating in the EAEC, the sources said.