

14 AUG 1996

LEAD Mahathir-Myanmar

PM SAYS ASEAN DOES NOT FEAR U.S. ECONOMIC SANCTIONS OVER MYANMAR

KUALA LUMPUR, Aug 14 (Bernama) -- Datuk Seri Dr Mahathir Mohamad said today Asean does not fear economic sanctions by the United States for accepting Myanmar as a member of the regional grouping.

However, the Prime Minister said, Asean was confident the US would not resort to such punitive action because it has investments in the region, including in Myanmar.

"We are not afraid if (the US) imposes sanctions on Asean. I think they will feel it (too). They have large investments in this region, including in Myanmar. They see oil, they will come," he said when asked on the possibility of the US imposing economic sanctions on Asean for admitting Myanmar as a member.

He was speaking to reporters after paying a farewell call on the Chairman of Myanmar's State Law and Order Restoration Council (SLORC), Senior General Than Shwe, at Hotel Istana.

Gen Than Shwe, who will leave for Pulau Pinang today to continue his five-day official visit to Malaysia before returning to Myanmar on Friday, later had an audience with the Yang di-Pertuan Agong Tuanku Ja'afar and Raja Permaisuri Agong Tuanku Najihah at Istana Negara.

Asked whether there was any objection among Asean members to the entry of Myanmar (corrected), Dr Mahathir said: "Perhaps there is...but I think the objection is not very strong. Actually, those attempting to obstruct the entry of Myanmar into Asean are (other) foreign countries."

He said Asean does not compel its member countries to have the same system of government and, because of this, Asean was willing to accept Vietnam although it has a different system of government.

Dr Mahathir, who reiterated Malaysia's stand to fully support the entry of Myanmar into Asean, hoped it could be realised next year to enable the grouping to cover all 10 nations in Southeast Asia.

Asean will mark the 30th anniversary of its formation next year. Myanmar, which currently has observer status in Asean, is expected to be accepted into Asean next year together with Laos and Cambodia.

Asked on the opposition to Myanmar by several organisations in the country, such as Malaysian Muslim Youth Movement (Abim), Dr Mahathir said the problems in Myanmar could be resolved by other means.

"Severing relations does not mean the problems will be resolved. This is what we meant by constructive engagement," he said in referring to the current Asean approach towards Myanmar.

Asked whether the visit of Gen Than Shwe has improved relations with Malaysia, Dr Mahathir said: "We now have a better understanding of Myanmar and the problems faced by its government which is attempting to overcome them. They have brought progress and other people should acknowledge it.

"When we said we want to have constructive engagement with Myanmar, the Western countries laughed at us. They are being cynical."

Dr Mahathir said the Myanmar of today is different from that in the past which practised an isolationist policy.

"Now, Myanmar adopts an open attitude, its economy is growing rapidly and its people are living more comfortably and do not feel as anxious as previously," he said. -- BERNAMA

ARA CTL