

29 MAR 1996

US REAFFIRMS ITS STRONG AND GOOD TIES WITH MALAYSIA

KUALA LUMPUR, March 29 (Bernama) -- The United States today reaffirmed its strong and friendly relations with Malaysia in particular in the economic and security fields.

US Assistant Secretary of State for East Asia and Pacific Affairs, Winston Lord, said while the East Asian Economic Caucus (EAEC) issue was significant and gets a lot of attention, it sometimes obscures the very strong relations "we have with Malaysia."

Lord said this via satellite from Washington to a question posed by Prof Lee Poh Peng of niversity Malaya on whether the US opposes the EAEC, on the Worldnet Diaglogue programme on "US Policy in East Asia and the Pacific," here today.

"It (the friendly ties) is also evident with the meeting between Prime Minister Datuk Seri Dr Mahathir Mohamad with President Clinton on several occasions including in the Oval Office," he added.

Lord also said countries in Asia have a right to get together and discuss issues. "We do oppose that. So we need to know what the EAEC consists of, what its purposes are and what it means."

The US feels the EAEC issue could be resolved peacefully and stay in touch with Malaysia and other countries, he said.

"Most Americans and maybe most Malaysians do not realise that our trade with Malaysia is greater than our trade with India, Indonesia and Russia combined."

Two-way trade between Malaysia and the United States increased 25 percent last year to a record high of US\$26.3 billion (RM65.75 billion). The newly-complied statistics showed Malaysia was now the 11th largest trading partner with the US, up from 13th in 1994.

Malaysia was the 17th largest buyer of US goods in 1995, with purchase of US\$8.8 billion (RM22 billion), mainly of aircraft and machinery.

Lord said with respect to the EAEC, the US would resolve the issue in a non-confrontational way. "There is some progress in it."

Also, the EAEC is not just a Malaysia-US problem, there are other countries that have a concern here, whether it is Australia, South Korea or Japan. "So it is just not a bilateral problem."

On the US position in the Asian Regional Forum (ARF), Lord said the US views with enthusiasm this regional security dialogue.

"We are among the countries that would like to see it move quicker but we respect other points of view on that," he said.

The ARF, an Asean driven project, aims to develop set of guidelines for regional stability in the wake over the South China Sea territorial dispute and the tension in the Korean peninsula. -- BERNAMA

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