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Mahathir-Apec

APEC LEADERS WANT SWIFT END TO FINANCIAL CRISIS

By: Salmy Hashim

VANCOUVER, Nov 26 (Bernama) -- Asia Pacific leaders on Tuesday agreed to move swiftly to deal with the financial crisis currently gripping Asian economies and noted Malaysia's proposal on regulating currency trading.

Prime Minister Datuk Seri Dr. Mahathir Mohamad said here at a press conference that "we're happy that we were given a chance to talk about the crisis ... the leaders listened to us seriously and there was no attempt at domination."

He told Malaysian journalists following the conclusion of the Asia Pacific Economic Co-operation (Apec) leaders summit, that he was given ample time to air Malaysia's view on the currency collapse, and almost all the Asean leaders agreed with Malaysia's stand.

The leaders also agreed with the International Monetary Fund's (IMF) efforts to study the problem which had impoverished developing nations attacked by currency speculators, the prime minister said.

The leaders from 18 economies had a thorough discussion of the financial developments in the region and they agreed that these "new challenges" in the international financial system require "new responses."

In what is seen as a victory for the Malaysian camp, the leaders' summit acknowledged the seriousness of the crisis and the need for a study by the IMF to see if any regulations were needed in currency trading.

Although no special mechanism was introduced by the leaders, the acknowledgement by the Apec economies would put pressure on the IMF to complete the study and to come up with a plan of action to stabilise the financial market, an Apec delegate said.

Furthermore, the 21-point declaration issued at the conclusion of the two-day leaders summit, mentioned an ongoing IMF study on the role of "market participants" in the recent crisis.

There have been resistance to any mention of currency traders or currency trading in the declaration, but "market participants" is a euphemism for "currency traders," an Apec delegate said.

Dr Mahathir had repeatedly called for some kind of regulation over currency traders whom he said had been responsible for the currency and stock market problems in the region.

The leaders spent the entire morning and part of the afternoon talking about the financial crisis, but left out discussions on infrastructure during the seven-hour exchange. But they did discuss the upcoming global conference on climate change in Kyoto over lunch, and in the afternoon session, the admission of three new members -- Peru, Vietnam and Russia -- beginning next year.

The leaders agreed that there should be a 10-year moratorium on membership following the next leaders summit in Malaysia in 1998. There was, however, no mention about membership in the 21-point declaration.

The fifth leaders summit was held on the 400-hectare grounds of the 81-year old University of British Columbia (UBC). The leaders held their discussions in the Grand Halls of UBC's Museum of Anthropology, which overlooks the serene English Bay and the lush snow-capped coastal mountains.

The leaders appeared relaxed and casual in their brown and personalised leather jackets, worn over their blue denim shirts, compliments of "Roots," a stylish men's boutique on Robson street.

Neither the leaders nor protesters at the summit -- some 800 students

turned up to protest human rights conditions in China and Indonesia -- saw each other during the meeting, but security was very tight and there were an estimated 1,000 members of the Royal Canadian Mounted Police or "Mounties", including members of the bomb squad, on the alert.

The leaders also strongly endorsed the Manila framework designed to promote financial stability, with the IMF playing a central role.

The Manila framework calls for a common monetary facility to supplement the IMF when necessary, and for closer surveillance to prevent future problems.

South Korea, Indonesia and Thailand have sought IMF assistance this year.

Prime Minister Jean Chretien, in reading out the declaration, said that the leaders would not be discouraged by the turbulence in the region and instead would continue to move ahead with liberalisation efforts.

The Asia Pacific leaders also agreed to work in a "determined fashion" to achieve a successful conclusion to World Trade Organisation negotiations on financial services by Dec. 12.

Changing gears, the leaders recognised the importance of speeding up action to deal with emissions of greenhouse gases and noted that all Apec members can make an important contribution to this effort.

The Vancouver Framework for enhanced public-private partnerships in infrastructure development was attached to the declaration.

The framework calls for stronger government-private sector partnership to manage the infrastructure required by the region to meet its environmental and social goals. -- BERNAMA

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