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Summit-Malaysia/China

DR MAHATHIR DISCUSSES CURRENCY PROBLEM WITH CHINESE PRESIDENT

KUALA LUMPUR, Dec 14 (Bernama) -- Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad and Chinese President Jiang Zemin spent an hour discussing the financial crisis that had shaken Asia at their bilateral meeting, here, today.

"They discussed 100 per cent on the currency crisis and no other subjects," Malaysian Foreign Minister Abdullah Ahmad Badawi told reporters after the meeting.

The two leaders felt that the situation was "serious enough" and that there must be some kind of cooperation that could be worked out to help the ailing economies of the affected countries, he said.

The meeting took place on the sidelines of the inaugural Asean informal summit with China, Japan and South Korea tomorrow that is set to be dominated by the currency turmoil.

Abdullah said Dr Mahathir and the Chinese leader shared the view that the currency turmoil in this region had not improved despite International Monetary Fund (IMF) intervention by providing funds to the affected countries.

However, China did not indicate that it would provide funds to those affected, he said when asked by reporters.

The currency turmoil had sent Thailand, Indonesia and South Korea to seek IMF assistance.

Asean groups Brunei, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

Chinese spokesman Shen Guofang said China was ready to discuss the currency issue during the summit to improve the situation.

Asked about China's role in the IMF assistance, he said: "I think such a system should not have strings attached but this is my personal opinion."

He expressed confidence that with the IMF assistance, the currency problem could be "resolved slowly".

He said Jiang and Dr Mahathir also spoke about a loose mechanism to exchange views on currency between Asean and China and discussions can take place whenever the countries meet at multilateral forums such as the Asia Pacific Economic Cooperation (Apec). -- BERNAMA

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