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Summit-Unity

EAST ASIA SUMMIT HAS BROUGHT THE REGION CLOSER TOGETHER, SAYS MAHATHIR

KUALA LUMPUR, Dec 16 (Bernama) -- The East Asian leaders summit which ended here today has brought the region closer to collectively tackle the financial woes that have shaken several Asian nations, Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad said.

He said the meeting between the Asean leaders and their counterparts from China, Japan and South Korea had made them conscious of the problems.

"There is a sense of unity because all have been suffering from the same peculiar disease caused by the same virus," Dr Mahathir told a news conference at the end of the summit, here.

He said that due to the current economic problems, the East Asian nations had been pushed together to work closely to overcome them.

"And there is a desire to meet again. There is a strong push to have a meeting earlier, maybe next year," said Dr Mahathir, the summit chairman.

He had told a news conference yesterday that the East Asian leaders had agreed to meet again probably before the Asia-Europe Meeting (Asem) in April next year.

Describing this as something new, he said that in the past, it was felt that north-east Asian countries (China, Japan and South Korea) should not be seen to be associating too closely with Asean.

"But now the feeling is that we should do something about it," he said.

When asked if the decision by the East Asian leaders to meet again reflected the strong desire to have meaningful economic agreements between them in the future, Dr Mahathir said the "economic elements" had been pushing them together.

Dr Mahathir also said that the assumption that "if your currency is devalued, you will become more competitive" was not true and went on to explain the actual situation.

He said: "In Southeast Asian countries, what we produce and export usually contain a lot of imported contents and these imported contents invariably push their prices higher than the degree or percentage of devaluation.

"On top of that, workers (in the region) would soon demand higher wages because there will be increase in prices of imported consumer goods. When the wages go up, the advantages will be lost.

"In the end, there will practically be no advantage at all from the devaluation except for the losses that we have to pay," the prime minister said.

Dr Mahathir said the summit had made a lot of people understand the currency problems faced by the region.

"Now, people understand us better, that it (the currency problem) is not going to disappear just like that. When you have lost billions of dollars, you can't just get it back," he said when asked if he felt the summit had made progress in tackling the currency woes.

Asked if he felt that the summit could have done more to overcome the financial crisis, Dr Mahathir said, whatever decisions taken at the summit had been good enough.

"I don't see how this summit can do more...I don't think anyone could really do more. I accept that," he said.

On Japan's role in helping countries affected by the currency crisis, Dr Mahathir said Japan would continue to play a role "maybe not as the head goose or geese."

"Japan is obviously the most prosperous country (in the region), it has the technologies and can provide training to us. So, it can continue to play a role," he said.

Asked how Indonesia's President Suharto's absence had affected the summit, the prime minister said Indonesian Foreign Minister Ali Alatas, who represented Suharto, was able to voice Jakarta's views effectively.

"We miss him (Suharto) because he represents an elder statesman and is one of the longest serving leaders in our group. Usually his wise advice is respected and listened to (by us)," he said. -- BERNAMA

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