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LEAD G15-summit

G15 SPEARHEADS LOBBY TO REGULATE CURRENCY TRADING

KUALA LUMPUR, Nov 5 (Bernama) -- The G15 today emerged from its seventh summit on its strongest ever note with concrete moves to push for international regulations on currency trading.

Apart from bringing forward its annual summit next year to deal with the urgency of the issue, the leaders also directed their finance ministers and central bank governors to meet here in December to draft rules and regulations to be submitted to the International Monetary Fund (IMF).

"Whether the IMF can or cannot implement is a separate issue. But we will make the recommendations to the IMF," Prime Minister Datuk Seri Dr Mahathir Mohamad told a joint news conference by the leaders at the end of their three-day summit here today.

Next year's summit will be held in Cairo in May followed by another in Jamaica in February, 1999. The annual summit is held traditionally at the end of the year.

Asked if the summit had deliberated on ways on how the IMF and the World Bank could regulate currency trading, Dr Mahathir said, this was not discussed in detail as the job had been entrusted to the financial ministers and central bank governors to make their recommendations.

The draft recommendations would first be submitted to the heads of government before they are forwarded to the IMF, he said.

Flanked by President Hosni Mubarak of Egypt and President Suharto of Indonesia, Dr Mahathir said the summit decided that the grouping should meet more frequently than just once a year because of "the urgency of certain matters and rapidity of changes in world trade and other matters."

When asked how realistic it was to regulate currency trading given that the North was bound to resist, Dr Mahathir said: "Of course we expect resistance but you can't interact without any rules at all. But if you don't want to have them, don't preach to us...keep your mouth shut."

He said for some reasons, the North was resisting any regulation at all with regards to currency trading and yet it was "very, very keen on openness, transparency and the rule of law."

Dr Mahathir denied that the currency question had side-tracked other matters at the summit because all other issues were also considered.

"There was no hijacking by anyone on any issues. Member countries express their worry on globalisation, liberalisation and deregulation being pushed mainly by the countries of the North and they viewed these rapid changes and ideas having the potential to undermine their economies," he said.

He confirmed that G15 economic ministers would meet again prior to the World Trade Organisation in Geneva next May to consider a common stand on issues that might crop up at the meeting.

On the low attendance of G15 leaders at the summit which had yet to register a full turnout since its inauguration in 1990, Dr Mahathir said, the grouping had decided to retime future summits and might hold it at the beginning instead of at the end of the year when many other summits were held.

Apart from Dr Mahathir, the other leaders at the summit were President Suharto of Indonesia, President Robert Mugabe of Zimbabwe, President Hosni Mubarak of Egypt, President Alberto Fujimori of Peru, President Liamine Zeroual of Algeria, Vice-President Dr Carlos Ruckauf of Argentina, Vice-President Krishan Kant of India and Deputy Prime Minister Dr Seymour

Mullings of Jamaica.

Dr Mahathir described the summit here as a "great success" because of the important decisions made and the renewed commitment by member countries to the grouping as shown by contributions by them during the discussions.

The G15 comprises Algeria, Argentina, Brazil, Chile, Egypt, India, Indonesia, Jamaica, Malaysia, Mexico, Nigeria, Peru, Senegal, Venezuela and Zimbabwe. Kenya was admitted as the 16th member here.

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