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Summit-Thailand

KL, BANGKOK SHARE COMMON VIEW ON IMF BAIL-OUT

KUALA LUMPUR, Dec 14 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad and his Thai counterpart Chuan Leekpai share the view that the economic situation in countries where the International Monetary Fund (IMF) has intervened has not improved, Foreign Minister Datuk seri Abdullah Ahmad Badawi said today.

The two leaders believed that the situation had worsened, he said.

Briefing reporters on the talks between Dr Mahathir and Chuan, here, ahead of the Second Asean Informal Summit tomorrow, Abdullah said both leaders agreed that some steps had to be taken on the basis of cooperation among the countries concerned so that they would be able to deal with the problem more effectively.

He said there was concern that the IMF would take some time to come up with specific proposals, probably in May next year, to help countries affected by the currency turmoil.

Abdullah said Chuan told Dr Mahathir that the period of waiting was a bit too long.

Chuan, Abdullah said, suggested that some other course of action be considered so that the economic situation would not become worse.

Abdullah said the Asean leaders would not leave any stone unturned in coming up with whatever steps they felt could improve the economic situation of the region.

To a question, Abdullah said other leaders too thought that the situation would improve once the IMF moved in.

"It's quite obvious that the IMF imposes tough conditions on the countries concerned with the supposition that with those conditions, the situation would improve. Instead, there's no improvement with regional currencies continuing to decrease in value," he said.

He said governments still had a role to play in improving the economic situation of their respective countries.

The minister said it was hoped that something positive would come out of the summit to help Asean countries deal with their respective problems through closer cooperation like increased intra-Asean trade as suggested by Dr Mahathir yesterday.

Two Asean members -- Thailand and Indonesia -- and now South Korea have sought bailout packages from the IMF to help them recover from the economic problems arising from speculative attacks on their currencies.

Abdullah said Dr Mahathir and Chuan also agreed that problems at the common border should be resolved as soon as possible.

They also agreed to facilitate the transportation of goods between Thailand and Singapore via Malaysia and between Malaysia and Laos via Thailand. -- BERNAMA

MAM JK