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Meeting ends on optimistic note (HL)

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KUALA LUMPUR, Tues. - Asean leaders and their counterparts from China, South Korea and Japan concluded their two-day meeting on an optimistic note today.

There was a tangible offer of help from China, South Korea and Japan to promote economic co-operation and a mutual declaration seeking an urgent solution to the current economic problems.

The optimistic view was summed up by Prime Minister Datuk Seri Dr Mahathir Mohamad, who as chairman of the Asean Summit, said that the meeting brought Asean and its three trading partners closer together in trying to understand the current problems and seek common solutions.

This was the most important achievement of the summit, Dr Mahathir told a Press conference at the end of the closed dialogues today. Today's meeting saw Asean leaders meeting their counterparts separately in a back-to-back sequence throughout the morning.

Yesterday, the Asean leaders met all three trading partners collectively, ending with a call to the International Monetary Fund to speed up its study on currency trading in order to check currency depreciation.

Dr Mahathir said: "It has brought us together. It made us more conscious of the problem and to face it together. This summit has brought the three countries from North East Asia and Asean closer. In a sense, there is unity in diversity.

"In the past, there was a feeling that the East Asian nations should not be seen to be too close (with Asean) but now that feeling has changed. There is a push that we meet again earlier, less than a year."

Asked whether the meeting had given the leaders more hope for solutions to their economic problems, Dr Mahathir said: "I am a bit optimistic now. More people understand the problem now.

"There has been a tendency to dismiss the problem and the impression of how strong the economies of Asean countries are, and that this problem will soon disappear.

"But if you lose billions of dollars, you don't regain those billions of dollars by marking time. Some said that in six months these problems will disappear and you will look back on this period as a kind of strange experience. But now people understand better...it is not going to disappear easily."

Dr Mahathir said all three trading countries gave their support to Asean's initiatives in enhancing political and economic co-operation such as the efforts to overcome the currency problems, confidence building measures in the region's economy, the Asean Regional Forum and the objectives of the Asean Vision 2020.

The most tangible offer of help came from Japan, which offered cheaper loans under its official development assistance programme. The Japanese also formally offered a US\$18 billion credit to Asean's private sector to develop economic infrastructure such as highways and other amenities.

As for the Asean-China meeting, both parties undertook to promote neighbourly and friendly relations, increase high-level exchanges, strengthen the mechanism of dialogue and co-operation in all areas to enhance understanding of mutual benefit.

At the Asean-South Korea dialogue, both parties, while declaring that they would continue to promote peace, stability and prosperity in the

Asia-Pacific region, said that they would also undertake new co-operation projects for Asean in the fields of education, the environment and science and technology with a focus on human resource development.

With the exception of Indonesian President Suharto who was advised by his doctor to rest, Asean was represented by all its Heads of Government. Foreign Minister Ali Alatas represented Indonesia at the summit.

Asked to comment on Suharto's absence, Dr Mahathir said: "We miss him because he's a senior leader in Asean. His wise counsel is respected and listened to. But we feel that the Foreign Minister was able to voice the view of Indonesia adequately."

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