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Summit to discuss currency issue (HL)

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KUALA LUMPUR, Sun. - Datuk Seri Dr Mahathir Mohamad said leaders attending the G-15 Summit which begins tomorrow would discuss the currency problems affecting several nations and that a statement may be issued on the matter.

The Prime Minister said he would explain the Malaysian situation to his colleagues when closed door deliberations begin tomorrow. Discussions would focus primarily on currency volatility and the need for global co-operation in such situations in the future.

Dr Mahathir said: "Maybe they (Latin American countries) know better because they also have the experience. On our part we will explain our own experience."

G-15 leaders checked in today for the group's seventh summit to find that the currency issue has now dominated the agenda.

Officials said that when the communique - there have been five drafts - was being worded, currency volatility had not been a major issue. It has since leapt to the forefront of this summit.

"And if they think it fit, then they should make a statement (on currency volatility)," the Prime Minister, who is summit chairman, said during a visit to the Palace of the Golden Horses, the venue of the three-day meeting.

A paper on recent developments in international capital and financial markets was specially prepared for discussion by the leaders. This came after Zimbabwe proposed a special statement on currency problems instead of the issue being a part of the joint communique.

The special statement on the currency situation would reflect the summit's strong feelings on the matter. A special declaration on the social clause was made for similar reasons at last year's Harare Summit.

The special statement would reflect problems faced by several countries including members of the G-15 and touch on the need for international and regional co-operation to deal with them.

The first of the participants to arrive was was Indian Vice-President Shri Krishan Kant, who is representing Prime Minister Inder Kumar Gujral who is unable to attend. He arrived at 2am.

This was followed later in the day by President Robert Mugabe of Zimbabwe; President Hosni Mubarak of Egypt; Argentina's Vice-President Dr Carlos Rutkauf who was on the same flight as Jamaican Deputy Prime Minister Seymour Mullings; Peru's President Alberto Fujimori and President Suharto of Indonesia. Algerian President Liamine Zeroul is due to arrive at 6am tomorrow.

Dr Mahathir was also asked to comment on the absence of some leaders at the summit. The Prime Minister said leaders who were not attending the summit probably had other important commitments.

He was also asked to comment on the frequency of summits which had already been deliberated at official and Foreign Ministerial level.

Dr Mahathir said he would raise the matter with fellow summiteers. It has been suggested that the summit be held every two years instead of annually.

Dr Mahathir also took time to inspect the venue of the summit which is being held at the newly-opened Palace of the Golden Horses.

At this summit, Kenya will be admitted as the group's 16th member, but the name G-15 will be retained.

There will be no special ceremony to herald the admission of Kenya whose President, Daniel Arap Moi is being represented by Minister in the President's Office and Regional Co-operation, Nicholas Biwott.

The leaders will go on a retreat to Malacca on Tuesday.

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