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Three countries back proposal to boost intra-regional trade

CHINA, Japan and South Korea are in favour of a Malaysian proposal that increased intra-regional trade would help countries of the region in expediting their economic recovery.

The three countries also want to be included in the arrangement.

According to separate joint statements issued after the back-to-back Asean+1 meetings between Asean and China, Asean and Japan and Asean-South Korea, the request by the three countries was made during the talks.

They concluded that the intra-regional trade could be expanded so long as prices remained competitive.

The Asean+3 leaders shared a view that countries in the region, whose economies had taken a downturn due to the depreciation of their currencies, could save on foreign exchange if there was such an arrangement.

Prime Minister Datuk Seri Dr Mahathir Mohamad mooted the idea for increased intra-Asean trade when he delivered his keynote address at the Private Sector Salute to Asean Conference on Saturday.

He had said although Asean nations would prefer to sell outside the region for more foreign exchange, where they could be competitive in each other's markets, they should "Buy Asean."

Dr Mahathir reasoned that as relative to each other's currency, the devaluation had not been so high, the goods from Asean countries would be cheaper to member nations.

At the meeting between Asean and South Korea, the leaders agreed that economic co-operation between the two would promote dynamism and prosperity of the Asia-Pacific region.

The leaders agreed to consolidate, broaden and strengthen the economic relations between Asean and South Korea.

China also underlined its conviction that the economies of the East Asian region would continue to be one of the fastest growing in the world.

Asean and China agreed to consolidate their close economic relations by promoting trade and investment, facilitating market access, improving the flow of technology and enhancing trade and investment related information.

Asean and Japan decided to further consolidate their economic relations with a view to sustaining the development and shared prosperity of the region.

They noted the importance of economic restructuring to further enhance the competitiveness of their respective economies.

They recognised the increasing interdependence between Asean and Japan.

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