

05 FEB 1998

Mahathir-Asean

DR MAHATHIR OFF TO THAILAND FOR TALKS ON ECONOMIC WOES

KUALA LUMPUR, Feb 5 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad left for Thailand today for an overnight trip as part of his regional tour to discuss the economic crisis with fellow Asean leaders.

Dr Mahathir, who visited Jakarta last month for talks with President Suharto, will meet Thai Prime Minister Chuan Leekpai soon after his arrival in Bangkok.

From Bangkok, he will fly to Manila tomorrow for another overnight stay for similar discussions with Philippine President Fidel Ramos.

Dr Mahathir, who was accompanied by his wife, Datin Seri Dr Siti Hasmah Mohamed Ali, will wrap up his tour with a meeting on Saturday in Singapore with Prime Minister Goh Chok Tong. Both prime ministers had met in Johor on Jan 20.

Apart from the economic crisis, the leaders are expected to take up the question of enhancing intra-Asean trade using their own currencies which they agreed to do during the Informal Asean Summit here in December.

This was meant to offset the impact to their economies by the sharp fall of the currencies of Thailand, Indonesia and Malaysia against the US dollar since the currency crisis began last July.

Philippine Foreign Secretary Domingo Saizon had said in Manila that only Malaysia, the Philippines and Thailand would initially be involved in using their currencies for intra-regional transactions.

An agreement spelling out the mechanics of the scheme is expected to be presented and approved during a meeting of Asean central bank governors in Indonesia later this month.

Philippine Trade Secretary Cesar Bautista said that Indonesia had opted out from the plan because of the uncertainty and fluctuation of its rupiah which had made it the most unstable regional currency.

Meanwhile, Deputy Prime Minister Datuk Seri Anwar Ibrahim also left today for Jakarta for talks with President Suharto to follow up on Dr Mahathir's discussions on the economic crisis with the Indonesian leaders.

Anwar, who is also Finance Minister, would meet his Indonesian counterpart Mar'ie Muhammad as well. -- BERNAMA

ARA