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Mahathir-Return (With Pix)

DR MAHATHIR RETURNS HOME AFTER A SUCCESSFUL TRIP TO ASEAN COUNTRIES

KUALA LUMPUR, Feb 7 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad returned home today after a successful three-nation tour of Asean to garner support for the regional grouping's proposal to trade in their respective currencies.

Dr Mahathir was accompanied by his wife, Datin Seri Dr Siti Hasmah Mohamed Ali.

Dr Mahathir's visit to Thailand, the Philippines and Singapore since last Thursday ended on a positive note with Bangkok and Manila agreeing to implement the proposal mooted at the Second Asean Informal Summit here last December.

In Thailand, Dr Mahathir held talks with his Thai counterpart, Chuan Leekpai, while in Manila, he discussed the proposal with President Fidel Ramos and in Singapore with Premier Goh Chok Tong.

His discussions with them centered on the need for Asean countries to increase intra-Asean trade and the use of regional currencies to lessen the Association of Southeast Asian Nations' dependence on foreign currencies in intra-group trading.

The Prime Minister had said that initially Malaysia, the Philippines and Thailand would begin trading in their respective countries.

"But we have to talk to other (Asean) countries to see what they have to say," Dr Mahathir was quoted as saying in Manila yesterday.

Last month, Dr Mahathir met Indonesian President Suharto in Jakarta and Goh in Johor to discuss the proposal.

The Prime Minister had told reporters in Bangkok that Asean countries could use foreign currencies saved from such intra-trade in local currencies to purchase vitally needed goods from Europe and the United States.

He said that for the proposal to be done on a larger scale in the region, there should be a central clearing house that should handle settlement of payments in the various Asean currencies.

The Prime Minister said that although the trade would involve just the private sector, the respective Asean governments would work together to oversee new foreign exchange mechanism.

Several Asean currencies have fallen sharply against the US dollar since Thailand floated the baht last July and triggered off regional currency turmoil.

Asean groups Brunei, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam. -- BERNAMA

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