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Mahathir-ASEM

EU TO SEND MISSION TO ASIA TO HELP IN ECONOMIC RECOVERY

KUALA LUMPUR, April 5 (Bernama) -- The European Union (EU) will send a mission to Malaysia and other Asian countries in an effort to help beleaguered Asian economies recover, Prime Minister Datuk Seri Dr Mahathir Mohamad.

The mission would not be a fact-finding one, Dr Mahathir said.

"It will come at the earliest possible time," he told reporters an airport press conference here upon returning from the second Asia-Europe Meeting (Asem 2) in London.

Dr Mahathir said the sending of the mission, mooted by South Korea, was one of the decisions at Asem 2.

The three-day meeting was attended by the leaders of the 15 EU members and 10 Asian states.

The impending EU mission would explore investment opportunities in Asia, among other things, the prime minister said when asked whether the EU would dispatch an investment mission to Asian countries in the context of one of the Asem 2 resolutions.

"The emphasis of the mission is that it is a non fact-finding one because if it is a fact-finding mission they may find facts which could discourage them from investing here.

"Instead it is a mission to help towards economic recovery through investment and the like," he said.

Dr Mahathir said although the proposal for the mission came from South Korea, the meeting agreed that it should cover all Asian states.

Asked about his convictions of the mission's success, Dr Mahathir said: "I think so. I think this time they are really serious when they talk about solidarity with Asia. They appear truly enthusiastic."

The prime minister said he was convinced that the EU had not only understood the current economic situation in Asia but were also keen in cooperating with countries in the region.

Dr Mahathir also said that leaders of Europe had for the first time acknowledged that currency speculation caused the problems in Asia.

They, he said, appreciated the seriousness of the problems and have agreed to the formulation of an international financial system which could minimise volatility in the currency market.

"As for me, that is the most important decision. That is the most important impact (of Asem 2)," he said.

Malaysia's call for transparency in the capital and currency market as well as for stricter monitoring of capital flow has been endorsed by Asem 2.

The prime minister was reported as saying in London yesterday that all the European leaders at the meeting concurred on the need for discipline in the international monetary system and that of their respective countries.

Dr Mahathir was also reportedly satisfied with the outcome of Asem 2.

And upon his return here today Dr Mahathir reiterated that the leaders of Europe admitted that the existing international monetary system had not only been detrimental to international trade but also suppressive to developing countries resulting in millions of their people losing jobs.

Asked for his view whether European leaders were now genuinely concerned over the Asian economic problems, Dr Mahathir said: "Yes, they appear serious going by their speeches."

"Only now have they realised how severe were the effects of the pressures on the currency as I was able to explain how millions have lost their livelihood," the prime minister added. -- BERNAMA

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