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Anwar-Cohen

COHEN SAYS US MAY DEVISE NEW INSTRUMENTS TO HELP ASEAN OVERCOME CRISIS

KUALA LUMPUR, Jan 12 (Bernama) -- United States Defence Secretary William Cohen has not ruled out the possibility the US devising new instruments to help Asean countries affected by the financial crisis to resolve their economic problems.

However, Cohen said, at the moment Washington would help those affected economies by providing funds through the International Monetary Fund (IMF).

He was speaking at a joint press conference with Deputy Prime Minister Datuk Seri Anwar Ibrahim at the end of the first day of the 4th Pacific Dialogue here.

Cohen said he was not aware and did not anticipate direct funding from the US to the affected countries.

He was asked how Washington intend to help the Asean economies affected by the currency turmoil.

Earlier, in his opening remarks at the start of the press conference, Cohen pledged that Washington's commitment to South East Asia would remain as it was before the region encountered the turmoil.

Anwar reiterated that Malaysia has no intention of seeking IMF help but would continue to seek the agency's advice on how to resolve the country's economic woes.

Responding to a question, Cohen said that he did not make any suggestion to Prime Minister Datuk Seri Dr Mahathir Mohamad or Anwar that Malaysia should receive assistance from the IMF.

He said the IMF package was "something unique" to each individual nation and therefore these countries should determine by themselves whether they required the fund to counter the current turmoil.

"As I understand, Malaysia has indicated that it can deal with the current situation without support from IMF," he said.

South Korea, Thailand and Indonesia have sought IMF assistance amounting to over US\$100 billion to help them recover from the financial crisis which gripped the region since July last year.

Anwar said that Malaysia did not seek IMF assistance since it had made commitments to address the problems.

He said Malaysia had already made the necessary policy adjustments such as revising the country's economic growth downwards while continuing to have a budget surplus and sustainable reserves.

However, Anwar said, Malaysia would maintain close working relations with the IMF from time to time.

"This is an on-going programme ...the benefit of such dialogues is to have a clear understanding of what is happening and what kind of measures are being taken by countries in the region," he said.

More importantly, he said, the consensus process from the regional perspective must be undertaken to address the current turmoil.

"Of course, we have been trying to grapple with the problems by accepting the need for effective surveillance among ourselves and working towards transparency and accountability," he said. -- BERNAMA

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