

17 NOV 1998

APEC-NEWS-FINANCE

MALAYSIA, CHINA AGREE ON NEED FOR STABLE FINANCIAL SYSTEM

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KUALA LUMPUR, Nov 17 (Bernama) -- Malaysia and China today agreed that Apec and other nations should be convinced of the need to take measures to bring about a stable international financial system.

They felt such a system was necessary to prevent a recurrence of the undesirable consequences arising from the current financial crisis, Malaysian Foreign Minister Datuk Seri Abdullah Ahmad Badawi said. He was briefing the press on the bilateral meeting between Prime Minister Datuk Seri Dr Mahathir Mohamad and China's President Jiang Zemin here.

Abdullah said Dr Mahathir and President Jiang agreed that speculative activities on currencies should be controlled.

The two leaders felt that the Group of 22 developing and developed countries should be given a role in the handling of the financial crisis so that developing economies would not go through the same problems again.

The Group of 22, set up last year following the economic crisis comprised the G-7 nations (United States, United Kingdom, Germany, Italy, France, Japan and Canada) and developing countries -- Malaysia, Indonesia, Thailand, Singapore, India, China, South Africa, Brazil, Argentina, South Korea and Russia.

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