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Mahathir-Proposal

MALAYSIA'S PROPOSAL AGREED TO BY THAILAND, THE PHILIPPINES, SINGAPORE

KUALA LUMPUR, Feb 7 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today Thailand, the Philippines and Singapore have agreed in principle to trade using their respective currencies.

He said that the proposal would be implemented if it is found to be feasible.

"In principle, they have no objections but they will study the advantages and disadvantages of the Singapore currency being used as a peg for trade and the use of each own's currencies for the purpose of trade between Asean countries," he told a news conference on his arrival from Singapore, at the Sultan Abdul Aziz Airport in Subang near here.

He said Malaysia also offered to host the meeting of Asean bank governors to discuss the proposal.

Asked whether Malaysia was prepared to serve as the clearing house, he said the matter would be decided at the meeting.

"In this sophisticated age of IT (information technology), there is no need to have (a clearing house) in one place because everything will be immediately linked to any centre that is set up," he said.

Dr Mahathir had discussions with Prime Minister Chuan Leekpai in Bangkok on Thursday, Philippine President Fidel Ramos in Manila yesterday and Singapore Prime Minister Goh Chok Tong in the republic this afternoon.

Chuan had said he would send a deputy premier to Malaysia to continue the discussion with Deputy Prime Minister Datuk Seri Anwar Ibrahim.

Asked about Malaysia's ability to restore its economy following the recent surge in the stock market and the strengthening of the ringgit, he said: "I don't know but I believe the Malaysian currency and stock market will recover if we act wisely and not be too hasty in profit taking."

He said the share value would appreciate if investors continued to buy shares on the Kuala Lumpur Stock Exchange (KLSE).

The prime minister said efforts to restore the economy and strengthen the ringgit would succeed if the people who save abroad bring home their money.

He said the economy would recover in nine months to a year if the people were really disciplined, followed the government's instructions and gave priority to the economy, which would profit everyone, without thinking of self-interest. -- BERNAMA

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