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PM calls on Asean to nurture positive interstate relations

Ashraf Abdullah in Hanoi

CALLING on Asean member countries to nurture positive interstate relations, Prime Minister Datuk Seri Dr Mahathir Mohamad said yesterday the recovery of Asean economies could only be expedited in an improved regional and international environment.

Dr Mahathir said adherence to Asean's cardinal principles, treaties and declarations on interstate relations was particularly important at this time because it appeared that the current economic crisis had put some strain on ties between member states.

He said this when delivering his opening statement at the Sixth Asean Summit in the Vietnamese capital of Hanoi.

Dr Mahathir's speech came a day ahead of the Hanoi Declaration and Hanoi Plan of Action which are expected to spell out specific measures to overcome the economic problems in the near future.

The leaders are expected to adopt the two documents today.

"Thirty years of Asean co-operation has given Southeast Asia the stability and solidarity which contributed to unprecedented economic growth and rising standard of living.

"Unfortunately, the economic crisis tested the resilience of Asean member countries. Our association, and relations between members, have come under some strain," he said.

Dr Mahathir said Asean's responses to the challenges confronting the region had created the impression of an Asean in disarray and its members, at odds with one another.

"Malaysia believes that the maintenance of positive interstate relations, has to be consciously nurtured.

"Asean had the wherewithal to pull through this turbulent period. I am referring here to the Asean approach, its method of work and the principles governing the conduct of relations between member states," he said.

Dr Mahathir said Malaysia strongly supported the initiatives aimed at strengthening regional economic co-operation and consolidating the economic fundamentals of Asean member countries.

He added that Malaysia would co-operate with Asean partners to strengthen and insulate the region from external disturbances as much as possible.

"We continue to support greater economic integration and the acceleration of the Asean Free Trade Area," he said.

Under the current Afta agreement, member countries are to reduce tariffs on products for intra-Asean trade to between five and zero per cent by 2003, with some flexibility for new members.

Dr Mahathir said Malaysia welcomed the proposed measures contained in the Hanoi Plan of Action to promote social development and address the immediate social impact of the financial crisis.

This is so, Dr Mahathir said, because the economic crisis had impoverished Asean economies and undermined national stability.

"Millions of people have been thrown out of work while others have had their purchasing power drastically reduced.

"Businesses, large and small, have been bankrupted. The social well-being of the people has been disrupted," he said.

Dr Mahathir said Malaysia was also looking forward to the Second Asean+3 summit involving the leaders of China, Japan and South Korea.

"Because of their economic weight, the policies and measures of these three East Asian countries have significant impact not only on regional but also on global economy," he said.

Dr Mahathir also said Malaysia appreciated China's expressed commitment that it would not devalue its currency, its efforts at economic reforms and domestic growth.

Malaysia, he said, also welcomed the Japanese initiative in providing a package of support measures totalling US\$30 billion to help Asian countries overcome the current economic difficulties.

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