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Russia won't raise forex control issue

RUSSIA, one of the world's economies suffering from currency devaluation, has said it would not raise the issue of controlling international currency speculators at the Apec economic leaders meeting in Kuala Lumpur.

A Russian senior official said the country, which will become an Apec member along with Vietnam and Peru in Kuala Lumpur, regards its problems with currency devaluation as an internal problem and has little to do with international currency players who have been blamed for much of the economic woes of other Apec members including Malaysia.

Malaysia, which has been lobbying long and hard for controlling unfettered currency speculation, is expected to bring up the issue during the meeting.

Prime Minister Datuk Seri Dr Mahathir Mohamad had been a strong advocate calling for the regulation of short-term capital that he said was the root to the present financial crisis.

Apec executive director Ambassador Datuk Noor Adlan had said recently that the regulation of hedge funds, which deals mainly in currency trading, is expected to be one of the major topics debated during discussions on the financial and economic crisis.

The Group of Seven (G-7) industrialised nations which groups the strongest economies of the world had recently called for measures to reform and bolster the global financial system, including tighter checks on financial institutions including investment banks and financial institutions.

Bernamea reports: Russia, which will be inducted into Apec at the current summit in Kuala Lumpur is optimistic of contributing to the Apec process in areas like transportation networks, natural resources and manpower skills development.

Its director of Economic Cooperation in the Foreign Ministry, Mr Andrei Denisov also said his country, being a newcomer to Apec, would be able to gain access into the regional markets and investment.

"This will be beneficial to both Russia and Apec economies as a whole," he said.

Russia along with Peru and Vietnam will be admitted into the 18-member grouping at the leaders' summit hosted by Malaysia next week.

On Japan's decision not to come on board in the fisheries and forestry sectors, Denisov said that liberalisation was a long process and cannot be completed at once.

He said Russia is not scared by any trade liberalisation goals and targets.

"But we must be careful and not to harm local industries as well as to achieve a well-balanced system of open economy and industrial protection," he told reporters after the morning session of the Apec Senior Official Meeting (SOM) yesterday.

Denisov expressed the hope that his country would play a more active role in the liberalisation process.

On whether the forestry and fisheries sectors issue would be raised by Russia, he said his country would bring up the matter tomorrow after being officially admitted into the grouping.

Asked on the discussions at the SOM, he said the deliberations were more on procedures than practical matters.

He said some documents to be tabled at the ministerial meetings and the

leaders' summit were also discussed.
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