

16 NOV 1998

APEC-NEWS-FUJIMORI LEAD

SOUTHEAST ASIAN ECONOMIC PROBLEMS NO BIG THREAT TO LATIN AMERICA

By: Muin Abdul Majid

KUALA LUMPUR, Nov 16 (Bernama) -- Peruvian President Alberto Fujimori said today Southeast Asia's economic problems are not threatening Latin America to a large extent.

The president, however, admitted that there was a reduction in Latin American exports to this region whose goods had also become cheaper.

The economic crisis had more or less caused the Southeast Asian countries to import less and this had affected Peru's exports to the region, he said.

This had also had caused the imbalance in Peru's external trade to become wider, he said.

"But we expect the economies of Malaysia and Peru as well as that of other Southeast Asian and Latin America countries to recover soon," he told reporters after bilateral talks with Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad here today.

When asked whether other Latin American countries would need International Monetary Fund (IMF) assistance, he said some of them probably would need such help.

"But in general, the Latin American countries are managing their economies with the close supervision of their financial systems," he said.

Fujimori said Malaysia was handling its economic problems quite well in its own way.

On the Early Voluntary Sectoral Liberalisation (EVSL) scheme, he said Peru was trying to liberalise as much as it could by taking into account all factors affecting its economy.

"We are taking steps towards free trade and open -market economy," he added.

On selective exchange controls imposed by Malaysia, he said the matter was discussed during the bilateral talks with Dr Mahathir and they agreed that it was working quiet well in Malaysia.

-- BERNAMA

MAM AAM