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Dr M keeping options open on attending Apec meet

Kamarul Yunus in Beijing

BEIJING, Fri: Prime Minister Datuk Seri Dr Mahathir Mohamad has not confirmed whether he will attend the Asia-Pacific Economic Cooperation (Apec) leaders' meeting in New Zealand next month.

"Apec is still on my agenda. Unless something happens beforehand, I would be attending," he said today when asked by reporters here.

"Frankly, I don't expect very much... Apec has shown that it is unwilling to take decisive steps, particularly with regards to the (Asian) financial crisis, and has preferred to refer the matter to an inferior body," he said.

If he does not attend the Auckland meeting, beginning September 7, it would be the second time Dr Mahathir has missed an Apec leaders' meeting since the tradition started in Seattle in 1992.

Malaysia hosted the summit earlier last year.

On the cancellation of a scheduled ground-breaking ceremony for Perusahaan Otomobil Nasional Bhd's plant in Hohhot from his official programme, Dr Mahathir said it was because negotiations were not completed.

"We are still talking with the Chinese central bank. I cannot perform the ground-breaking until the final decision is made," he said.

The Prime Minister also said China agrees with Malaysia that there is a need to reform the international financial architecture and make it more transparent.

The issue was raised in discussions with Chinese President Jiang Zemin yesterday, he said.

"He (Jiang) shared my view regarding the need to be more transparent and other things," he said at a news conference for Malaysian and foreign journalists at the end of his three-day working visit to China.

On lessons to be learnt from the regional economic downturn, Dr Mahathir said developing countries must be more circumspect in respect of new ideas on the global financial architecture.

"We have to be more circumspect... about globalisation, free flow of capital across borders... the borderless world.

"We have to examine these ideas much more carefully because obviously they provide opportunities for unscrupulous free traders to exploit weak economies," he said.

Noting that Asian countries are emerging from the economic turmoil, although not at the same pace, Dr Mahathir said full recovery still hinges on the protection of these economies from further currency attacks accorded by the new financial architecture.

It may take a long time for Asian economies to return to their pre-crisis growth levels, he added.

The Prime Minister also said a slight devaluation of the yuan, also known as renminbi, by the Chinese Government will not affect Malaysia much.

"We have devalued so much (that) we will still remain competitive even if the yuan devalues, say, by 10 or 15 per cent," he added.

He discussed the possibility with the Chinese President and his Premier, and they both indicated that there were no such plans, Dr Mahathir said. On the proposed Asian Monetary Fund (AMF), he said Japan should lead as well as be a major contributor.

As for the East Asian Economic Caucus (EAEC), China remains keen on the

idea.

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