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Mahathir-EAEC

DR M REITERATES NEED FOR EAEC TO ADDRESS REGIONAL CONCERNS

By: Ali Mamat

BEIJING, Aug 19 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today reiterated that the financial and economic turmoil affecting the region amply proved the necessity for the East Asian Economic Caucus (EAEC), a consultative body for East Asian countries, to deliberate on regional concerns.

"A group consisting of members from the region would better understand the problems and needs of troubled economies," he said in a key-note address on "Malaysia-China Relations: Challenges and Opportunities in the 21st Century" delivered at the Third Malaysia-China Forum here.

Had there been an EAEC comprising the Asean countries plus China, Japan and South Korea at the outbreak of the 1997 financial crisis, Dr Mahathir felt that the first recourse for Thailand, Indonesia and South Korea would not have been the International Monetary Fund (IMF) but the EAEC.

"The reason is that these economies were fully aware of the harsh conditions that the IMF would exact from them in return for financial assistance," he said.

In this respect, the prime minister urged China to join Malaysia, Japan and South Korea to form a regional grouping to represent the interests of East Asian countries, either through the EAEC or any East Asian body with a different name.

"A legitimately-recognised EAEC would allow for more consultations on issues vital to the region and with an EAEC, the region's interests can be better promoted in APEC, ASEM (Asia-Europe Meeting) and WTO (World Trade Organisation)," Dr Mahathir said.

The prime minister also spoke of co-operation in science and technology between Malaysia and China.

Both sides, he said, must maximise co-operation in this critical aspect of national and regional development.

Advances in communications, medicine, energy resources and defence know-how, science and technology called for a 'smart partnership' between China and Malaysia for the 21st century, he said.

Dr Mahathir also said East Asia's credibility as an engine of growth for the region and the global economy could best be attained if the regional states could become as technologically advanced as the Western nations in the next century.

"We must collectively determine to become contributors, not recipients or consumers of Western technology, to global technological development in the next century," he emphasised.

The forum, organised by the Asian Strategy and Leadership Institute (ASLI), was attended by 750 participants, including 200 Malaysian businessmen.

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