

08/11/1999

Indonesia, Malaysia to resolve disputes through talks

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KUALA LUMPUR, Sun. - Indonesia wants all bilateral problems between the republic and Malaysia to be resolved through negotiations, rather than being referred to third parties.

Prime Minister Datuk Seri Dr Mahathir Mohamad said this was told to him by Indonesian President Abdurrahman Wahid when they met yesterday.

He said Indonesia believed that problems could be resolved between the two countries and there was no need to bring third parties into the picture.

The bilateral problems include overlapping claims to the Ligitan and Sipadan islands.

Abdurrahman, popularly known as Gus Dur, made a quick stopover in Malaysia yesterday. He left for Yangon this morning.

Dr Mahathir said there was not much change in terms of bilateral relations between the two countries, although Indonesia recently had a change in leadership.

"We touched base," Dr Mahathir said about his meeting with Abdurrahman.

"As this is a new leadership, we want to get to know them, their stands and policies."

"We (Malaysia) found that in terms of bilateral relations, there is not much change except that they (Indonesia) felt that any problem between Malaysia and Indonesia could be resolved through negotiations," he told reporters at the open house of Works Minister Datuk Seri S. Samy Vellu.

Asked about Indonesia's request for an additional US\$200 million (RM760 million) in the credit line extended to it by Petronas to purchase rice, Dr Mahathir said Malaysia was prepared to help.

"We have already sent one shipment (of rice) worth about US\$50 million but they need more. We are quite prepared to extend more credit to them.

"It's helping a neighbour, that's all," he said.

Petronas had earlier extended a credit line of US\$100 million.

Asked if Malaysia would take in more Indonesian workers, Dr Mahathir said if the country needed more workers, it would hire them but for the time being, it had enough workers.

Abdurrahman, who is on a whirlwind tour of eight Southeast Asian countries, was also granted an audience with Yang di-Pertuan Agong Sultan Salahuddin Abdul Aziz Shah yesterday.

Dr Mahathir hosted a dinner for him last night.

According to Foreign Minister Datuk Seri Syed Hamid Albar who briefed reporters yesterday, the two leaders also discussed politics, investment, trade and Asean, and the Aceh problem.

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