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Proposed fund: `No strings attached'

JENGKA, Tues. - The Prime Minister said the proposed Asia Monetary Fund will provide help without any strings attached.

"We will talk about setting up the fund. This is unlike the International Monetary Fund which has many strings ... for example, in changing of governments and choosing of their leaders," Datuk Seri Dr Mahathir Mohamad told reporters today.

He was asked to elaborate on his "World Analysis" column in Japan's Mainichi Shimbun on the need to strictly pursue the East Asia Economic Caucus.

He said with the EAEC, East Asia would be in better position to take care of its financial problems.

Asked if the renewed attacks on the baht by speculators should serve as a second wake-up call to Asia-Pacific Economic Co-operation, Dr Mahathir said: "I do not think Apec is capable of doing anything about the currency (attacks). That is left to the big powers ... Group of Seven. Our fate is in their hands ..."

It was reported today that Apec had so far failed to reform and ensure an orderly currency market.

On the need for Japan to play a more active role in the EAEC, Dr Mahathir said Japan was the richest country in the region.

"It has a lot of money and if invested in the EAEC either through loans or direct investments, it will help the economies of East Asia. Then East Asian countries will become a better market for Japan. When Japan invests in East Asia, it actually helps itself," he said.

On why he was not going to New Zealand for the Apec meeting this week, Dr Mahathir said his deputy, Datuk Seri Abdullah Ahmad Badawi, would represent the country.

"It has nothing to do with the general election," he said in a light-hearted tone.

He said he had to attend a UN meeting end of this month and would proceed to South Africa for the Commonwealth Heads of Government Meeting in November.

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