

19 MAY 2000

RAMOS-EAEC

EAST ASIAN ECONOMIC CAUCUS WILL MATERIALISE, SAYS FIDEL RAMOS

WASHINGTON, May 19 (Bernama) -- The East Asian Economic Caucus, an idea conceived by Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad, is well on its way to becoming a reality despite opposition from the United States, former president of the Philippines, Fidel Ramos, said here Wednesday.

Asean nations along with China, Korea and Japan seem enthusiastic about the grouping, and an "East Asian Vision" group is being convened at the suggestion of Korean president Kim Dae-Jung to work on the idea through this year and the next, Ramos told a three-day conference called Global Forum 2000 hosted by the Economic Strategy Institute.

EAEC represents Asean's continuing effort to keep in balance the three legs of the stool of global interdependence -- Europe, East Asia and North America, he said at the conclusion of the conference which opened on Monday.

"An East Asian economic grouping will also have the virtue of keeping China's vigorous economy contained in a larger regional setting," he added.

Such a grouping is all the more important to integrate markets not only in Southeast Asia but in the larger East Asian region with the World Trade Organisation's failure in Seattle to balance the interests of rich and poor nations, he added.

The US Department of Commerce estimated that by the year 2010, Asean alone will have a GDP of US\$1.1 trillion, close to three times its GDP in 1995. At that point, US exports to Asean will equal -- or exceed -- its exports to China or Japan.

Meanwhile, trade within East Asia is fast expanding. In 1997, Asean exports to Northeast Asia grew by 30 percent -- surpassing Asean exports to the US (20 percent) and the European Union (15 percent).

Growing synergies in the economies of Northeast and Southeast Asia will strengthen East Asia's clout in the world economy and its moves toward political cooperation, he added. -- BERNAMA

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