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LEE-BILATERAL

LEE: BILATERAL DIFFERENCES MAY BE RESOLVED IN TWO TO THREE MONTHS

KUALA LUMPUR, Aug 17 (Bernama) -- Singapore's senior minister Lee Kuan Yew said differences on key issues between Malaysia and Singapore could be resolved within two to three months if both sides were prepared to give in to each other's views.

The differences pertained to water supply, the siting of the CIQ (Customs, Immigration and Quarantine) complex and contributions by Malaysians to the republic's Central Provident Fund.

Speaking at a press conference at the end of his four-day working visit here, he said Malaysia and Singapore stood to gain if they could put behind their differences and moved on.

"I leave more optimistic than when I came," he said when asked to describe his visit here and his two-hour long meeting with prime minister Datuk Seri Dr Mahathir Mohamad.

He added that if there was enough give on both sides on the key issues (in the Points of Agreements), it was possible that they would be resolved within two to three months.

The Points of Agreements or POA were signed between finance minister Tun Daim Zainuddin and Lee when the latter was Singapore's prime minister in November 1990.

Lee said the big issues were the major problems.

"If we can work out the nuts and bolts (of the issues), assuming that there is a measure of some give, then in two months or three months, the prime ministers (of both countries) can meet to put our problems behind and move on."

Lee said these issues had been stalemated for many years and not to the advantage of both countries if they the issues were not resolved.

Lee said the differences were now beyond civil servants to resolve as they called for political decisions.

He said it was no longer about quibbling around with details or basic principles.

Lee said he would recommend to Singapore prime minister Goh Chok Tong to amend the POA to accommodate the wishes of Dr Mahathir provided that there was "give on the other side."

He said if this came about, then it would mean that there would be a fair deal on various issues like water supply, location of the CIQ and CPF contributions.

Lee said it would have to be a package which was current and where both sides would get more out of it rather than if both sides stood still.

He said both sides stood to gain if they moved on to restore international confidence by resolving their differences and co-operate at a time of great travail in the region.

Restoring international confidence could also translate into more investments into Malaysia and Singapore, he said.

Lee revealed that when Goh visited several European countries recently, the latter was often asked about his relationship with Dr Mahathir.

Goh told the Europeans that "they were okay" and also asked Lee to convey this to Dr Mahathir.

Asked on Dr Mahathir's reaction to Goh's statement, Lee quipped, "You have to ask him (Dr Mahathir)."

But Lee was quick to add that the reaction from the Malaysian leader was positive.

Lee also said the fact that the Europeans asked more about Singapore's bilateral relations with Malaysia rather than the situation in Indonesia showed that they were concerned about the ties of the two countries for this affected their investment decisions.

He said, "In other words, they want to know that if you are being okay, are you going to work with them (Malaysians)? If you are, then there is synergy and then there are more investments from us."

Referring to Asean co-operation, Lee said the grouping, which now has 10 members, was actually driven by the five original members -- Malaysia, Singapore, Thailand, Indonesia and the Philippines.

However, one of the original five, Indonesia, was facing some difficulties at present while the other four should now combine their resources and get the Indonesians out of their morass, he said.

Lee said the Asean, despite the situation in Indonesia, should demonstrate that there were still large areas in the region which were stable and offered plenty of investment opportunities.

He said Malaysia and Singapore, currently the two best performing economies in Asean, were the ones likely to draw the bulk of foreign investments to the region if they worked closely to help themselves as well as their neighbours.

Asked on the proposed Asian Monetary Fund, he said it should be within the ambit of the International Monetary Fund.

If this was not to be the case, it would be hard to ensure that the borrowers would adhere to the conditions imposed on them, he said.

Lee was also asked on his views Japan and said that that country would not be in a position to becoming economically strong within the immediate future but would do so in the next five to 10 years.

"I am confident that they would give the world a run for their money," he said. -- BERNAMA

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