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Mahathir-EAEG

CHINA, JAPAN, SOUTH KOREA, ASEAN KEEN ON EAEG, EAST ASIAN SUMMIT

By: David Chelliah Kovilpillai

BANDAR SERI BEGAWAN, Nov 6 (Bernama) -- China, Japan and South Korea and the Asean countries have expressed keenness on the establishment of the East Asian Economic Grouping (EAEG) and the East Asian Summit, proposals mooted by Prime Minister Datuk Seri Dr Mahathir Mohamad 11 years ago.

Speaking at a news conference at the end of the two-day Seventh Asean Leaders Summit here today, Dr Mahathir said Asean and its three dialogue partners had also expressed support for the idea of an EAEG Secretariat and Malaysia had offered to be the venue.

Dr Mahathir said South Korean President Kim Dae Jung was very keen to see the Asean+3 becoming an EAEG and felt that Asean countries should not fear such a grouping.

"We are going back to the original proposal that was made. This is the result of the vision study group. I think it is good to have it," he said.

The United States Administration under President Bill Clinton had reservations about the proposal when it was first made by Dr Mahathir.

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The United States Administration under President Bill Clinton had reservations about the proposal when it was first made by Dr Mahathir.

Japan and South Korea were then reluctant to join such a grouping.

Asked whether the United States would object to Asean+3's interest in forming the EAEG, Dr Mahathir said now with the George W. Bush administration, the objection might not be as strong as before.

Dr Mahathir, who attended the Asean+1 meetings with China, Japan and South Korea earlier in the day, said that South Korea was now pushing the idea to form the EAEG and Japan was comfortable with the proposal.

"The Koreans even mentioned that Asean+3 should have its own grouping since America and Europe have their own," he added.

He said Malaysia was ready to host the EAEG Secretariat to coordinate and focus on particular subjects, for example if there were to be an international caucus on a financial architecture, the EAEG could have a common view.

"We can meet and have our own views and that will allow us to have a bigger clout in international decision making," he added.

On the EAEG idea, Dr Mahathir said that Korean President Kim had stated that Asean countries should regard the Korean economy as an opportunity market and not something to fear under the proposed EAEG.

Dr Mahathir also said that President Kim even proposed an EAEG Summit.

Dr Mahathir said that Kim felt that in the EAEG there was nothing to fear from the strong economies of the North East nations (China, Japan, South Korea).

Asean should regard the South Korean economy as a good market which could contribute to the growth of Southeast Asia.

"He (Kim) is the most keen and the others are keen to the grouping... and this goes back to the original plan to set up an EAEG," he added.

Dr Mahathir, who immediately left for home after the media conference at Istana Darut Taqwa here, said the EAEG proposal and the East Asian

Summit had been accepted but there would be detailed discussions among the officials.

On the Asean+3 meetings, he said it was very useful and fruitful where Asean leaders discussed with China a free trade area.

"China has a population of 1.7 billion and there is a good future and big market. We need their market and we discussed and emphasised cooperation in agriculture, ICT and two-way investment," he said.

He also said that Asean wanted to develop the Mekong Basin sub-region through the construction of Trans-Asian Railway linking, Malaysia and Singapore to Kunming in China via several Asean countries.

Dr Mahathir said the Mekong Basin countries -- Laos, Cambodia, Myanmar and Vietnam -- wanted the railway link completed and had requested financial help from China, Japan and South Korea.

"The link between Thailand and Cambodia cost only US\$55 million and they were thinking of some Asean countries making up some and the rest they can borrow," he said.

Dr Mahathir also said that Asean proposed to Japan that it set up a technical university, probably in Malaysia, to train Asean people.

"We pointed out to Japan that there are a lot of people at the moment who are not gainfully employed and these are highly skilled people and they (Japan) should use these people to run training schools for all kinds of skills," he said.

He said the meetings with the Asean dialogue partners were cordial overall and they were positive for Asean leaders.

Asean comprises Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

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