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Zoellick: US-Malaysia trade will not be affected

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TRADE between Malaysia and the US will not be affected despite global economic uncertainties arising from the September 11 attacks, US Trade Representative, Robert Zoellick said.

"Both countries have always enjoyed a good relationship. This is reflected in the US being Malaysia's largest trading partner, absorbing some 20 per cent of the latter's total exports," Zoellick said.

"The US trade with Malaysia stands at US\$38 billion (US\$1 = RM3.80) and it is the largest foreign direct investor," he added.

Conversely, Malaysia is US' 12th largest trading partner. The US has invested over US\$5 billion between 1995 and 2000.

Zoellick said that Malaysia's total trade of over 200 per cent against its gross domestic product (GDP) goes to show that the country's economy is "well integrated in the global economy".

He said the US Government is appreciative of the support shown by Malaysia following the terrorist attacks that destroyed the World Trade Centre twin tower in New York and the US military nerve centre, Pentagon.

"We are very pleased with the support we received. We respect that countries like Malaysia has internal challenges and tensions it must deal with, and therefore the help that we get is all the more meaningful," Zoellick said.

Malaysia, he added, is a success story and a role model for regional stability in terms of political and economic developments.

"It is an Islamic country that provides leadership and role model. Furthermore, Malaysia has developed a model of economic development that has demonstrated tolerance in a multi-ethnic society. It has evolved from a country that produces a range of primary products to that of a knowledge-based economy," Zoellick said.

Zoellick is a member of President George W. Bush's Cabinet with the rank of ambassador and serves as the President's principal trade policy adviser and chief trade negotiator. He is on a visit to Malaysia after attending an informal trade ministerial meeting in Singapore to discuss the launch of a new global trade round in the upcoming World Trade Organisation (WTO) ministerial conference in Qatar next month.

On the possibility of a postponement of the WTO meeting due to security uncertainties Zoellick said no mention of such was raised in Singapore and that the meeting is on track as planned.

"We live in uncertainty and things change day by day. There are issues in the region that are beyond our control," he added.

Earlier Zoellick held a discussion with the Prime Minister, Minister of Foreign Affairs and Minister of International Trade and Industry.

On his meeting with Datuk Seri Dr Mahathir Mohamad on issues focusing on the fight against terrorism, Zoellick described the Prime Minister as "a person who brings a rich experience to these tasks".

On his discussion with Datuk Seri Rafidah Aziz, Zoellick said they touched on the review of international economic scene, bilateral and regional trade issues and also the role of Association of South-East Asian Nations (Asean) and Asia-Pacific Economic Cooperation (Apec) forum.

He added that the US would be focusing, among others, the accession of Taiwan and China in the WTO at the Apec summit in Shanghai this week.

Malaysia, on its part, has called for a united stand among Asean members to review WTO pacts in the run-up to the talks in Qatar.

Dr Mahathir had said that the agenda must exclude extraneous matters such as linking non-trade issues to trade and investment.

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