

'Asia has great growth potential'

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TOKYO: Asia has great potential for growth but it has to determine its own future, government leaders from Malaysia, Thailand and the Philippines agreed.

They also feel that in this regard, Japan could contribute a lot to the development of the region.

"As far as Malaysia is concerned, Japan is a country that can do a lot for us," Datuk Seri Dr Mahathir Mohamad said.

Speaking at a roundtable in conjunction with the Nikkei ninth international conference on "The Future of Asia," he said that Japan had learnt from its mistakes during the Second World War and now had a role to play in not only Malaysia but the whole of Asia.

"They (Japan) have lent money to us, provided us with technology, invested in our country. As a result, we have prospered," he said.

Dr Mahathir said that one way of improving Asia's situation was through the Asian bond market.

"We should make it work. If we can make it work, we will all benefit from it because it is Asian and it is in our own interest; (it is) not devised by someone somewhere and imposed on us."

However, he said that it should be weaned away from the US dollar which was not a very stable currency as it had depreciated quite a lot.

Dr Mahathir said that Malaysia used to think of the US dollar as a very sound currency "so much so that we peg our ringgit to the dollar."

"But what we have seen now is that the US dollar is depreciating by more than 35% against the euro."

He also said that he was glad to know that now, the United States was thinking of controlling currency trading because it was damaging to the US dollar.

"When we appealed (in the past) that currency trading was damaging the ringgit, they said it was a free market. When it happens to them, they have other ideas," he added.

Thai Prime Minister Dr Thaksin Shinawatra, in his speech, said the Asian Bond Market would contribute greatly to ensure the full and sustainable recovery of the Asian economies.

Adding that he was confident in "the inner strength of Asia," he said the future of Asia would be bright if Asian leaders put all efforts to work together to turn the region into the world's biggest growth area.

Philippines President Gloria Arroyo said that Asian countries needed to work together to "seize the moment, define the opportunity and move forward as modern nations."

Saying that in many ways Asia was still recovering from the effects of the financial crisis, she added that "it is crucial for the Japanese economy to

recover its dynamism and to act as an engine of global growth.

On another issue, Dr Mahathir said terrorism should not be linked to any religion, adding that the reported acts of terror alluded to Islamic terrorists had nothing to do with Islamic fundamentalism.

Rather, he said, the acts of terror were the result of political reactions, citing for instance when people were robbed of their land and rights.

Islam advocated peace, brotherhood of all Muslims and non-violence unless attacked by others, he said, but agreed that there had been misinterpretation and deviations by certain people, just like for all religions.

Dr Mahathir said this in response to a question about concerns over small minority but strong militant-type fundamentalist groups that may cause instability in the region.

In order to deal with the problem of terrorism, he said, one should understand the reasons and causes.

He said that people should not mix up the "political reactions" of groups with religious teachings.

"If we remove the reasons (for the acts of terror), as they are trying to do in Palestine now, then I'm quite sure they would be less prone to acts of terror." "If it has something to do with Islamic fundamentalism, I would be a terrorist in my own country," he added.