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S'pore-FTA

GOH DENIES FTA IS REWARD FOR S'PORE'S BACKING OF IRAQ WAR

SINGAPORE, May 10 (Bernama) -- Singapore Prime Minister Goh Chok Tong has denied media speculation that the free trade agreement (FTA) it concluded with the US is a reward for its support for the Iraqi War.

The US did not reward Singapore with a FTA, Goh was quoted by the Straits Times in Washington on Friday.

On Tuesday, Singapore and the United States inked the historic agreement that will erase tariffs on two-way trade worth US\$33 billion.

He said the warm show of appreciation in Washington during his visit to the US capital this week was in response to its support in the fight against terrorism and the war in Iraq, the newspaper said.

Negotiations for the deal ended in January and the decision on the signing, which took place this week at the White House, was taken before the war began, he said.

According to the newspaper, throughout Goh's visit, American leaders praised Singapore and the Prime Minister, and some observers suggested the FTA package came as part of the applause.

"The praise, which I personally thought was a little too effusive, was more for our support of Iraq, not so much the FTA," said Goh at the end of his four-day visit to Washington.

"On our support of the US initiative on Iraq, we supported the US because we are against terrorists and against weapons of mass destruction falling into the wrong hands.

"Our interests converged. So, we stood up for the US. At that point in time they found it helpful, so they went out of their way to show their appreciation of Singapore."

On speculation that Singapore was being rewarded with the FTA ahead of Chile, Goh said it was just coincidence that Singapore happened to be the first country to sign the deal, after US President George W. Bush obtained from Congress the power to make such pacts with little obstruction from the legislature.

"On the fight against terrorism, again we see eye to eye. As to who is uncomfortable with Singapore's closeness to the US, I think the terrorists would be," he said.

Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad said yesterday that Singapore's free trade pact with the US should not be allowed to interfere with Asean deals.

"As far as we are concerned, we are Asean and we are not going to allow anything extraneous to interfere with the Asean grouping," said Dr Mahathir.

Yesterday, Malaysia's International Trade and Industry Minister Datuk Seri Rafidah Aziz said that Washington's fast-tracking of bilateral trade deals for Iraq war supporters and penalising of opponents could damage efforts to free up global commerce.

"I don't think the world takes too kindly to the US attitude about punishing and rewarding," she told reporters.

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