

31 JAN 2003

S'pore-Mahathir

S'PORE PAPER GIVES PROMINENCE TO DR M'S REPLY

SINGAPORE, Jan 31 (Bernama) -- Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad's response to talk of war with Singapore and the water dispute hit the headlines of today's Straits Times, a newspaper owned by Singapore Press Holdings.

In its front-page report headlined 'Mahathir dismisses sovereignty issue and all talk of war', the newspaper said that Dr Mahathir yesterday ruled out going to war with Singapore, and maintained that the heart of the water dispute was price and not the republic's sovereign status.

It also quoted the prime minister as accusing Singapore of waging a 'hate campaign' against Malaysia to divert attention from its own serious internal problems, namely, its difficult economic situation and losses in the billions from failed overseas investments.

Dr Mahathir, the newspaper reported, also attributed what he saw as aggressive behaviour towards Malaysia to different factions within the People Action Party (PAP) trying to outdo one another.

"We are not going to out-argue them, or try and raise the ante and have a word war with them. No way," it quoted Dr Mahathir as having said after chairing a meeting of the Umno supreme council, the ruling party's highest decision-making body.

On the water dispute, it quoted the Malaysian premier as 'speaking at length' about the link between the water dispute and Singapore's sovereignty.

"In doing so, he became the first Malaysian politician to address a key plank in Singapore Foreign Affairs Minister S. Jayakumar's statement to Parliament last Saturday - that if Malaysia refuses to honour the water agreements, it will be undermining the sanctity of the Separation Agreement, which guarantees Singapore's independence," said the Straits Times.

In its full coverage of Dr Mahathir's statement, the English-language daily also quoted the Malaysian prime minister as having said that it was absurd that sovereignty was a function of the price of water.

"Fantastic, you know, the price goes up from 3 sen to 3 1/2 sen and Singapore loses its sovereignty. Is that so? Sovereignty is so cheap," he said.

"Say you don't want to pay, it is easier."

According to the paper, war was not on the horizon either, quoting Dr Mahathir as saying that Malaysia had no quarrel with the people of Singapore. "Any attack directed at the concentrated island would result in loss of life. We are not in the business of killing innocent people."

It also reported that Dr Mahathir made it clear that he considered the release of correspondence between himself and Senior Minister Lee Kuan Yew as lack of good faith.

"It's very difficult now for us to write letters at all because we might as well negotiate through the media."

To show his displeasure, Dr Mahathir employed an analogy: "I don't feel nice. You write a letter to your girlfriend. And your girlfriend circulates it to all her boyfriends. I don't think I'll get involved with that girl."

On the Singapore economy, the newspaper also quoted Dr Mahathir as asking Singapore to manage its own internal problems.

"Not only had it hit minus growth, but there was now high unemployment, with retrenched bank workers driving taxis."

The Singapore government had also lost money in investments gone bad, such as in Enron, Virgin Airlines, Air New Zealand and in China, he said.

When asked how much losses were suffered, it also quoted Dr Mahathir as having told reporters: "In Singapore, they don't come out with statements but we know from economic intelligence, they have big losses from investments."

Other reports on Dr Mahathir's press conference, which quoted him as having said that Malaysia was exploring all available avenues to enable it to raise the price of raw water supplied to Singapore, was covered in the 'Home' page, headlined 'KL studying all options to up water price'.

It also quoted Dr Mahathir as saying that only treated water will be supplied after 2061 if the price is right.

Another report on the same page is Dr Mahathir's invitation to Singaporeans to come to Malaysia, headlined 'No quarrel, come and spend, urges Mahathir.'

It quoted the Malaysian premier as saying that Malaysia had no quarrel with Singaporeans despite the current state of bilateral relations and welcomed them as tourists, investors and property buyers.

-- BERNAMA

SS RM