

PM tells Europe to sort out its economy before it affects Asia
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VIENTIANE: Europe must fix its economy and finances before a meltdown affects the rest of the world, particularly Asia.

Prime Minister Datuk Seri Najib Tun Razak said Monday that even though Asian economies were relatively free from the problem, with most recording growth of between 5% and 7% compared to only one percent growth recorded by European nations, all countries were interdependent.

"It (the crisis) can also affect growth in Asia. We realise it is important for Europe to be able to get its act together (to tackle the problem)," he told the Malaysian media after attending the first day of the Ninth Asia-Europe Summit here on Monday.

The Prime Minister said that despite the crisis looming over Europe, there were still many things that Asia could learn, such as green and bio-technologies, and it was still a large market for goods from this part of the world.

"Asia hopes that economies in Europe will recover so that trade can be further enhanced. I also told the leaders during a plenary session that the Free Trade Agreement between Asean and European Union should be expedited," he said.

Najib said Europe was of the opinion that Asia is the engine of growth and there was a need to further deepen co-operation with nations in the region.

The Prime Minister said he told the grouping's 51-member nations that free trade and liberalisation policies must be encouraged and trade protectionism must be rejected to enable economies to prosper.

He said that some of proposals made during Doha Round were achievable even though there were difficulties, adding that Malaysia had carried out two rounds of liberalisation in the services sector. Lao President Choumnaly Sayasone, in his address, said if Asia and Europe enhance cooperation, integration and mutual support, it would be able to explore and maximise potentials each continent could offer.

"At present, some parts of the world have encountered complex political and security challenges. On the other hand, humankind is facing new threats such as food and energy insecurity, climate change and natural disasters.

"It is more critical than ever for the two continents to broaden the dialogue and enhance coordination with a view of adopting new approaches to attain sustainable development," he said.

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