

GMA supports creation of Asian IMF

TOKYO (AFP) — President Arroyo supports wider cooperation in stabilizing Asia's financial market, including creating a regional version of the International Monetary Fund, a report said yesterday.

In an interview with Japanese media on Saturday, Mrs. Arroyo praised as a great success the expansion of the Chiang Mai Initiative (CMI), a currency swap framework to guard against financial crises, the *Nikkei* business daily said.

The scheme, involving the Association of Southeast Asian Nations (ASEAN), Japan, China and South Korea, was launched in 2000 following the 1997 Asian financial crisis.

The ASEAN-plus-three agreed in May to expand the CMI's size to \$120 billion from the original \$80 billion proposed in 2008. Japan and China will each contribute \$38.4 billion and South Korea \$19.2 billion.

"The Asian bond market initiative is some-

thing we should now push," Mrs. Arroyo was quoted by the *Nikkei* as saying on a visit to meet Prime Minister Taro Aso and business leaders.

The Philippine president was referring to efforts by regional governments and private companies to revitalize the market by issuing bonds denominated in local currencies.

Arroyo said the idea of establishing an Asian version of the IMF should be the next subject to be studied by the region to strengthen its financial stability, according to the *Nikkei*.

She said she "agrees" with the idea, it added.

"I am even in favor of a pan-Asian economic community that would cover not only the East Asian Summit, but other parts of Asia like the Middle East, Central Asia, South Asia and Oceania," Arroyo said.

The East Asian Summit involves 16 countries — 10 ASEAN states, Japan, China, South Korea, India,

Australia and New Zealand.

An economic partnership agreement between Tokyo and Manila took effect last December, opening the door for Philippine nurses and carers to work in Japan under certain conditions.

"I believe after nurses and caregivers, soon we will be able to have English teachers and IT workers," Arroyo was quoted as saying.