

MAJECA-MAHATHIR

FROM ANNE KOH

TOKYO, OCT. 30 (BERNAMA) — DATUK SERI DR. MAHATHIR MOHAMAD SAID HERE TODAY THAT MALAYSIA WANTS TO EMULATE THE DRIVE AND DEDICATION OF THE JAPANESE PEOPLE AND ITS ECONOMY SO AS TO BECOME A MODERN, DYNAMIC INDUSTRIAL AND AGRICULTURAL NATION.

THE DEPUTY PRIME MINISTER ADDED THAT TO ACHIEVE THIS AIM MALAYSIANS WERE KEEN TO LEARN FROM THE JAPANESE THE TECHNICAL KNOW-HOW, MANAGEMENT SKILLS AND MARKETING EXPERTISE.

DATUK SERI DR. MAHATHIR, WHO IS LEADING AN INVESTMENT PROMOTION MISSION HERE, WAS SPEAKING AT THE OPENING OF THE TWO-DAY JOINT ANNUAL CONFERENCE OF THE MALAYSIA-JAPAN ECONOMIC ASSOCIATION (MAJECA) AT THE TOKYO CHAMBER OF COMMERCE AND INDUSTRY BUILDING.

HE SAID JAPAN STOOD AS A SHINING SYMBOL OF WHAT HARD WORK AND DEDICATION COULD CREATE FOR A NATION WITH VIRTUALLY NO RESOURCES OF HER OWN.

ON THE OTHER HAND, MALAYSIA WAS ASPIRING TO BECOME A MODEL OF A DEVELOPING NATION WITHIN THE CONTEXT OF A SYSTEM OF DEMOCRACY AND FREE ENTERPRISE.

DATUK SERI DR. MAHATHIR HOPED MAJECA AND JAMECA WOULD GIVE GREATER EMPHASIS TO THE QUESTION OF INVESTMENT PROMOTION FOR THE SETTING UP OF MUTUALLY BENEFICIAL JOINT-VENTURE PROJECTS IN MALAYSIA.

HE SAID THE ESTABLISHMENT OF JOINT-VENTURE CORPORATIONS WOULD BY THEMSELVES LEAD TO INCREASED TRADE, SOCIAL CONTACTS AND ECONOMIC CO-OPERATION BETWEEN THE TWO COUNTRIES. —BERNAMA MORE

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HE SAID THE MALAYSIAN GOVERNMENT EXPECTED THE PRIVATE SECTOR BOTH FOREIGN AND MALAYSIAN, TO PLAY A DYNAMIC ROLE IN THE COUNTRY'S ECONOMIC AND INDUSTRIAL DEVELOPMENT EFFORTS.

+IN THIS RESPECT, WE WELCOME JAPANESE BUSINESSMEN, INVESTORS AND FINANCIERS TO JOIN HANDS WITH US IN OUR DRIVE TO CREATE A MODERN AND DYNAMIC AGRICULTURAL AND INDUSTRIAL SECTOR IN MALAYSIA+, DATUK SERI DR. MAHATHIR SAID.

THE DEPUTY PRIME MINISTER SAID THOUGH MALAYSIA WAS REGARDED AS A RESOURCE-BASED ECONOMY, IT WAS THE COUNTRY'S EXPECTATION THAT BY 1990 THE MANUFACTURING SECTOR WOULD BE THE BIGGEST CONTRIBUTOR TO ITS GROSS DOMESTIC PRODUCT.

UNDER THE CURRENT FIVE-YEAR PLAN, ABOUT \$10 BILLION OR 240.3 BILLION YEN WAS EXPECTED TO BE INVESTED BY THE PRIVATE SECTOR IN MANUFACTURING ENTERPRISES.

OUT OF THIS \$10 BILLION ABOUT \$3 BILLION OR 252 BILLION YEN WAS EXPECTED TO BE IN THE FORM OF FOREIGN PRIVATE INVESTMENT.

DATUK SERI DR. MAHATHIR SAID THAT JAPAN WAS TODAY THE GREATEST ECONOMIC POWER IN THE WORLD.

BUT DESPITE THIS CHANCE +TO PLAY AT ECONOMIC IMPERIALISM+ JAPAN HAD NOT CHOSEN TO DO SO.

INSTEAD JAPAN AND JAPANESE BUSINESSMEN HAD CHOSEN TO CO-OPERATE AND SHARE THE FRUITS OF MANY YEARS OF LABOUR WITH COUNTRIES LIKE MALAYSIA. HE SAID. —BERNAMA MORE 1452/BY

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DATUK SERI DR. MAHATHIR HOPED JAPAN WOULD LIBERALISE HER IMPORTS FROM MALAYSIA.

THE JAPANESE MINISTER OF INTERNATIONAL TRADE AND INDUSTRY, ENCIK TOSHIO KOHMOTO SAID THAT AT MAJECA AND JAMECA FIRST MEETING LAST YEAR RESOLUTIONS CONCERNING JOINT TARGETS OF CO-OPERATION IN TRADE, INVESTMENT AND TECHNOLOGY WERE ADOPTED. HE ADDED THIS YEAR WOULD SEE CONCRETE OPINIONS EXCHANGED ON PROBLEMS OF COMMON INTEREST TO BOTH COUNTRIES SUCH AS THE PROMOT OF TRADE AND INVESTMENT.

MR. KOHMOTO SAID ECONOMIC RELATIONS BETWEEN JAPAN AND MALAYSIA HAD BEEN DEVELOPING SMOOTHLY WITH TRADE VOLUME IN THE LAST FIVE YEARS INCREASING BY 3.7 TIMES.

TRADE IN THE FIRST HALF OF THIS YEAR HAD SHOWN AN INCREASE OF 23 PER CENT OVER THE SAME PERIOD OF LAST YEAR.

ON THE OTHER HAND, JAPANESE INVESTMENT IN MALAYSIA FOLLOWING THE OIL CRISIS, SUFFERED A TEMPORARY SETBACK OWING TO THE STAGNANT BUSINESS CONDITIONS WORLDWIDE.

HOWEVER, LAST YEAR, INVESTMENT IN MALAYSIA INCREASED BY 28 PER CENT OVER THE PREVIOUS YEAR AND HAD BEEN RECOVERING STEADILY.

MAJECA PRESIDENT RAJA TAN SRI MOHAR BIN RAJA BADIOZAMAN SAID MALAYSIA WAS ENCOURAGING THE DEVELOPMENT OF MEDIUM AND SMALL-SCALE INDUSTRIES IN THE DIVERSIFICATION OF HER DEVELOPMENT PROGRAMMES.

HE HOPED THIS WILL NOT BE OVERLOOKED BY POTENTIAL JAPANESE INVESTORS AND MALAYSIANS WELCOMED THEIR PARTICIPATION. —BERNAMA

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RAJA TAN SRI MOHAR ALSO HOPED JAPAN WOULD EXPEDITE THE EARLY IMPLEMENTATION OF THE ESTABLISHMENT OF A STABILISATION OF EXPORT EARNINGS (STABEX) SCHEME FOR PRIMARY COMMODITIES.

THIS WAS BECAUSE THE STABILISATION OF COMMODITY PRICES AND THE SEARCH FOR OVERSEAS MARKET OUTLETS FOR MALAYSIAN MANUFACTURED PRODUCTS WERE ISSUES OF PARAMOUNT IMPORTANCE TO MALAYSIA.

HE NOTED THAT IN APRIL THIS YEAR, AN AGREEMENT WAS REACHED WHEREBY ASEAN GOODS OF MULTIPLE ORIGIN WERE GIVEN SPECIAL TARIFF CUTS UNDER JAPAN'S GENERAL SYSTEM OF PREFERENCE.

WHILE THIS MOVE WAS A STEP IN THE RIGHT DIRECTION, MALAYSIA HOWEVER FELT THAT THE SCOPE AND DEPTH OF THE PREFERENCES EXTENDED BY JAPAN FELL SHORT OF EXPECTATIONS.

RAJA TAN SRI MOHAR ALSO TOUCHED ON TWO PROBLEMS FACED BY MALAYSIAN INDUSTRIALISTS AT PRESENT.

THESE WERE THE VERY RAPID APPRECIATION OF THE YEN AGAINST THE MAJOR CURRENCIES OF THE WORLD AND THE CONTINUING DEFICIT IN THE SERVICES ACCOUNT, PARTICULARLY IN RESPECT OF FREIGHT AND INSURANCE BETWEEN JAPAN AND MALAYSIA.

BETWEEN JANUARY AND OCTOBER THIS YEAR, THE MALAYSIAN RINGGIT DEPRECIATED AGAINST THE YEN BY ABOUT 23 PER CENT AND THIS WAS IMPOSING AN ENORMOUS BURDEN ON MALAYSIA IN THE SETTLEMENT OF HER YEN COMMITMENTS AND LIABILITIES, HE SAID.

HE HOPED THE CONFERENCE WOULD CONSIDER THIS PROBLEM AS A PRIORITY ITEM AND PROPOSE MEASURES TO REDUCE THE IMPACT OF THE STEEP RISE IN THE YEN VALUE.

JAMECA PRESIDENT DR. SHIGEO NAGANO, WHO IS ALSO PRESIDENT OF THE JAPAN CHAMBER OF COMMERCE AND INDUSTRY, SAID THE POSSIBILITIES OF BI-LATERAL CO-OPERATION WERE VERY PROMISING.

TO SUPPORT THE THIRD MALAYSIA PLAN, JAPAN WAS READY TO RENDER HER CO-OPERATION, HE ADDED. —BERNAMA 1505/BY