

MAHATHIR

79 (B)
KUALA LUMPUR, DEC. 13 (BERNAMA) -- MALAYSIA HAS THE BASIC INGREDIENTS THAT WILL MAKE HER AN ECONOMICALLY ADVANCED COUNTRY IN THE PACIFIC REGION BY THE TURN OF THE 21ST. CENTURY, DATUK SERI DR. MAHATHIR MOHAMAD, SAID TODAY.

THE DEPUTY PRIME MINISTER SAID WITH HER RAW MATERIALS, ENERGY AND ECONOMICALLY STRATEGIC LOCATION, SHE WAS IDEAL FOR SOLVING A VARIETY OF PROBLEMS THAT NOW PLAGUE THE ECONOMY OF COUNTRIES LIKE JAPAN.

IN OTHER WORDS, HE ADDED, MALAYSIA COULD BE NOT ONLY A GOOD TRADING PARTNER, BUT COULD HELP IN THE RATIONALIZATION OF JAPANESE INDUSTRY IN THE FACE OF THE ENERGY CRISIS.

THE DEPUTY PRIME MINISTER WHO IS ALSO TRADE AND INDUSTRY MINISTER SAID THIS WHEN ADDRESSING THE THIRD ANNUAL CONFERENCE OF MALAYSIA-JAPAN ECONOMIC ASSOCIATION/JAPAN-MALAYSIA ECONOMIC ASSOCIATION (MAJECA/JAMECA) HERE.

HE POINTED OUT THAT MALAYSIA HAD OTHER ASSETS TOO WHICH MAKE HER A VERY ATTRACTIVE TRADE AND BUSINESS PARTNER FOR JAPAN.

+WE HAVE VAST TRACKS OF LAND SUITABLE FOR THE KIND OF AGRO-BASED PRODUCTS JAPAN NEEDS.

+WE ALSO HAVE A STABLE GOVERNMENT, RELATIVELY LOW COST AND DILIGENT LABOUR FORCE AND A SOUND AND EVOLVING SYSTEM OF INDUSTRIAL, COMMERCIAL AND BANKING SERVICES CAPABLE OF CATERING TO THE NEEDS OF MODERN BUSINESS, + HE SAID. -- BERNAMA MORE 1214/A1

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DATUK SERI DR. MAHATHIR SAID ALTHOUGH MALAYSIA WAS EASILY OVERSHADOWED WHEN PLACED BESIDE JAPAN -- AN ECONOMIC GIANT -- SHE COULD CLAIM TO BE NOT SO PUNY WHERE CERTAIN ECONOMIC ACTIVITIES WERE CONCERNED.

FOR EXAMPLE MALAYSIA WAS THE WORLD'S BIGGEST PRODUCER OF RUBBER, TIN, PALM OIL, PEPPER AND LATELY INTEGRATED CIRCUITS.

MALAYSIA COULD ALSO NOT CLAIM TO HAVE THE WORLD'S BIGGEST DIAMOND CUTTING AND POLISHING FACTORY --

AN INDUSTRY SHE DID NOT HAVE AT ALL TWO YEARS AGO, HE SAID.

THESE ACHIEVEMENTS, HE ADDED, SHOULD QUALIFY MALAYSIA TO STAND BESIDE THE GIANTS OF NOT JOIN THEM.

THE DEPUTY PRIME MINISTER CALLED FOR A REVIEW OF THE ROLE OF A DEVELOPING COUNTRY IN THE CONTEXT OF THE INDUSTRIAL DEVELOPMENT THROUGHOUT THE WORLD.

TIME WAS WHEN THE DEVELOPING COUNTRIES WERE EXPECTED ONLY TO PRODUCE RAW MATERIALS AND WHEN THEY TOOK THEIR FIRST STEPS IN MANUFACTURING THEY WERE CONFINED TO THEIR HOME MARKETS.

MANUFACTURING FOR HOME USE DID NOT EARN THE KIND OF FOREIGN EXCHANGE NEEDED BY DEVELOPING COUNTRIES.

IF THE DEVELOPING COUNTRIES WERE TO BECOME RICH ENOUGH TO PURCHASE THE SOPHISTICATED PRODUCTS THEY NEEDED FROM INDUSTRIALISED NATIONS, THEY SHOULD PARTICIPATE IN THE EXPORT ORIENTED INDUSTRIES AS WELL, HE ADDED. -- BERNAMA MORE 1250/5Z

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HOWEVER, HE SAID, THEY DID NOT HAVE THE TECHNOLOGY AND THE CAPITAL TO DEVELOP THEIR OWN INDUSTRIES.

HE POINTED OUT THAT IF THE DEVELOPING COUNTRIES WERE TO REMAIN GOOD CUSTOMERS OF THE DEVELOPED NATIONS, THEY MUST GROWING SOURCES OF INCOME OTHER THAN RAW MATERIALS.

HE SUGGESTED DIVISION OF LABOUR BETWEEN THE COMMUNITY OF NATIONS BE ADOPTED IF THE DEVELOPING COUNTRIES WERE TO INDUSTRIALISE AND

YET COSTLY COMPETITION WITH THE DEVELOPED COUNTRIES AVOIDED.

THE DIVISION THAT WAS ENVISAGED, HE SAID, WAS MORE SOPHISTICATED THAN THE OLD PATTERN WHEN THE COUNTRIES OF THE PERIPHERY PRODUCED RAW MATERIALS WHICH WERE THEN PROCESSED IN THE COUNTRIES OF THE CENTRE FOR THEIR OWN USE AND FOR RE-EXPORT TO THE COUNTRIES OF THE PERIPHERY.

+THE DIVISION OF LABOUR THAT IS ADVOCATED IS FOR THE DEVELOPING COUNTRIES TO BE THE CENTRES FOR THE PROCESSING AND MANUFACTURE OF AN INCREASING VARIETY OF INTERMEDIATE PRODUCTS, + HE ADDED.

HE SAID DEVELOPING COUNTRIES THROUGH INVESTMENTS AND TECHNOLOGY TRANSFER FROM THE DEVELOPED COUNTRIES SHOULD ACTUALLY IMPORT RAW MATERIAL AND ENERGY TO PRODUCE THE INTERMEDIATE PRODUCTS FOR EXPORT TO THE INDUSTRIALIZED COUNTRIES, INCLUDING THE INVESTING COUNTRIES. -- BERNAMA MORE 1255/SZ

NO20 (F)

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AT PRESENT, DATUK SERI DR. MAHATHIR SAID, JEPUN IMPORTS COAL AND IRON FROM AUSTRALIA AND INDIA AND FUEL FROM THE WEST ASIA IN ORDER TO PRODUCE STEEL FLAT PRODUCTS, COILS AND BARS FOR THE JAPANESE MARKET, THE ASIAN MARKET INCLUDING SOUTH-EAST ASIA, FOR EUROPE AND AMERICA.

+IT SEEMS TO MAKE ECONOMIC SENSE TO BRING THE RAW MATERIALS AND ENERGY TO MALAYSIA TO PRODUCE THE INTERMEDIATE PRODUCTS IN MALAYSIA, + HE STRESSED.

HE SAID WITH ADEQUATE JAPANESE PARTICIPATION, THE INDUSTRIES IN MALAYSIA COULD THEN SERVICE ALL THE MARKETS FORMERLY SERVED FROM JAPAN.

THIS WAS FAR BETTER THAN THE OPEN MARKET COMPETITION AS WOULD HAPPEN WHEN SOME DEVELOPING COUNTRIES ENTER AND COMPETE WITH THE DEVELOPED COUNTRIES IN THE WORLD MARKETS. -- BERNAMA 1258/SZ