

MAHATHIR

KUALA LUMPUR, NOV. 3 (BERNAMA) — THE GOVERNMENT MAY BAN THE EXPORT OF RAW MATERIALS THAT NOW ONLY ATTRACT EXPORT DUTIES, DEPUTY PRIME MINISTER DATUK SERI DR. MAHATHIR MOHAMAD SAID TODAY.

THE GOVERNMENT MIGHT ALSO IMPOSE HIGHER EXPORT DUTIES ON RAW MATERIALS THAT NOW FLOWED OUT OF THE COUNTRY UNRESTRAINED HE ADDED WHEN OPENING THE FINANCIAL TIMES CONFERENCE ON +INVESTMENT IN MALAYSIA+ HERE.

+HE SAID: AS THE ECONOMY MOVES INTO HIGHER GEAR THESE MEASURES MAY BE FORCED UPON THE GOVERNMENT BY PRIVATE BUSINESSMEN WHO HAVE HAD THE VISION TO SEE THE FUTURE THAT EXISTS IN MALAYSIA FOR THE PROCESSING OF THESE RAW MATERIALS BEFORE THEY ARE EXPORTED.+

THE GOVERNMENT MIGHT BE FORCED TO TAKE THESE ACTIONS TO ENSURE THAT RAW MATERIALS WERE SUPPLIED IN ABUNDANCE AND AT REASONABLE PRICES TO MANUFACTURERS WHO HAD STARTED OPERATIONS IN MALAYSIA AND THUS SHOWN THEIR CONFIDENCE IN THIS NATION'S FUTURE. —BERNAMA MORE 1455/1B

NO21: (F)
MAHATHIR 2 KUALA LUMPUR

DATUK SERI DR. MAHATHIR TOLD FOREIGN AND MALAYSIAN BUSINESSMEN INVOLVED IN THE EXPLOITATION AND EXPORT OF THE COUNTRY'S NATURAL RESOURCES THAT IT WOULD BE NAIVE FOR THEM TO EXPECT THE GOVERNMENT TO ALLOW THEM TO CONTINUE TO EXPORT THE RESOURCES INDEFINITELY AND DEplete THE HERITAGE OF THE NATION.

+JUST AS THE GOVERNMENT HAS IMPOSED A BAN ON THE EXPORT OF CERTAIN VARIETIES OF LOGS AND IMPOSED EXPORT DUTIES ON THE EXPORT

OF CRUDE PALM OIL, TIN AND RUBBER, IT CAN BE EXPECTED THAT WE WILL CONTINUE TO TAKE ACTION TO SHRINK THE PIPELINES THAT TAP MALAYSIAN RESOURCES AND EXPORT THESE IN UNPROCESSED FORMS+ HE SAID. 109

DATUK SERI DR. MAHATHIR, WHO IS ALSO THE MINISTER OF TRADE AND INDUSTRY, SAID THE GOVERNMENT WOULD TAKE ALL MEASURES NECESSARY TO ENSURE THAT MALAYSIA REMAINED A VIABLE AND PROFITABLE BASE FOR MANUFACTURING ACTIVITY. — BERNAMA MORE 1458/1B

NO22 (F)
MAHATHIR 3 KUALA LUMPUR

HE SAID MALAYSIA COULD NOT AFFORD TO CONTINUE AS A MERE EXPORTER OF RAW MATERIALS AND MUST PROCESS AND ADD VALUE TO ITS PRIMARY PRODUCE.

DATUK SERI DR. MAHATHIR SAID THAT HE RECOGNISED THE FACT THAT HEAVY INVESTMENTS HAD ALREADY BEEN MADE IN PLANT AND EQUIPMENT AS WELL AS IN THE EMPLOYMENT OF LABOUR IN THE DEVELOPED NATIONS WHERE MALAYSIA'S RAW MATERIALS WERE BEING MANUFACTURED INTO FINISHED PRODUCTS AT UNECONOMIC PRICES.

HE SAID THAT HE WAS NOT SUGGESTING THAT THESE MANUFACTURING OPERATIONS BE CLOSED DOWN IMMEDIATELY AND THUS THROW THE DEVELOPED WORLD INTO TURMOIL.

+I WOULD LIKE TO SUGGEST THAT NO FURTHER EXPANSION OF MANUFACTURING CAPACITIES SHOULD TAKE PLACE IN THE DEVELOPED WORLD IN RESPECT OF RAW MATERIALS THAT THEY DO NOT POSSESS, +HE ADDED. —BERNAMA MORE 1504/1B

MAHATHIR 4 KUALA LUMPUR

ANY FURTHER EXPANSION OF CAPACITY SHOULD BE DONE IN THE DEVELOPING NATIONS WHERE THE RAW MATERIALS EXIST.

+THE DEVELOPING NATIONS NOW HAVE THE RIGHT TO TAKE UP THE CRY THAT THE EXPORT OF OUR RAW COMMODITIES IN UNPROCESSED OR SEMI-PROCESSED FORMS REPRESENT AN EXPORT OF JOB OPPORTUNITIES+ DATUK SERI DR. MAHATHIR SAID.

THEY ALSO REPRESENTED AN EXPORT OF FOREIGN EXCHANGE EARNINGS THAT RIGHTFULLY BELONGED TO THE DEVELOPING NATIONS.

+WHEREAS, IN THE CASE OF THE ELECTRONICS INDUSTRY, THE MOVE TO SET UP THE ELECTRONICS ASSEMBLY OPERATIONS FROM THE DEVELOPED NATIONS TO THE DEVELOPING NATIONS WAS A RESPONSE TO THE NATURAL LAW OF COMPARATIVE ADVANTAGE, THE PRESENT EXPORT OF RAW MATERIALS FROM THE DEVELOPING NATIONS TO DEVELOPED NATIONS TO BE PROCESSED INTO FINISHED PRODUCTS AND SENT BACK TO DEVELOPING COUNTRIES GOES AGAINST THIS NATURAL LAW.+ — BERNAMA MORE 1506/1B

NO24: (F)
MAHATHIR 5 KUALA LUMPUR

ADMITTEDLY, HE SAID, IN SOME OF THE LESS DEVELOPED COUNTRIES, THE NECESSARY INFRASTRUCTURE AND ESPECIALLY POWER, MIGHT NOT BE ADEQUATELY AVAILABLE FOR EFFICIENT MANUFACTURING OPERATIONS.

+HOWEVER, THIS CAN BE SEEN AS MERELY A TRANSIENT SITUATION AND CANNOT BE USED AS A LONG TERM EXCUSE TO DEPRIVE DEVELOPING COUNTRIES OF THEIR NATURAL RIGHT+ HE ADDED.

SUCH A SITUATION WAS NOT PREVALENT IN THIS COUNTRY. MALAYSIA HAD THE NECESSARY INFRASTRUCTURE, THE INVESTMENT CLIMATE, THE ECONOMIC AND POLITICAL STABILITY AND THE MONETARY STRENGTH TO SUSTAIN MANUFACTURING ACTIVITY OF A VERY SOPHISTICATED NATURE.

+IT IS IN RECOGNITION OF OUR ABILITY TO SUSTAIN SUCH OPERATIONS THAT WE HAVE DECIDED THAT THE 1980S SHOULD SEE MALAYSIA GO ALSO INTO THE HEAVY INDUSTRY SECTORZ DATUK SERI DR. MAHATHIR SAID.

— BERNAMA MORE 1515/1B

NO25: (F)
MAHATHIR 6 KUALA LUMPUR

+THIS IS EQUALLY IMPORTANT IF WE ARE TO STRENGTHEN THE FOUNDATIONS OF OUR INDUSTRIAL GROWTH. WE CANNOT ALLOW OUR ECONOMIC PROGRESS TO BE HELD RANSOM BECAUSE OF OUR NEED TO BE CONTINUOUSLY DEPENDENT UPON NORTHERN ECONOMIES FOR OUR BASIC INDUSTRY REQUIREMENTS.+

BECAUSE OF THIS, THE GOVERNMENT WAS PROMOTING THE ESTABLISHMENT OF THE SECOND INTEGRATED IRON AND STEEL MILL IN MALAYSIA, VARIOUS PETROCHEMICAL COMPLEXES, A TIN PLATING OPERATIONS AND ALSO MORE SOPHISTICATED BASIC ENGINEERING ACTIVITIES.

DATUK SERI DR. MAHATHIR SAID THE BANKING AND FINANCIAL COMMUNITY IN MALAYSIA SHOULD ALSO HEED THE CALL HE HAD MADE ON THE RESOURCE-BASED INDUSTRIES. 110

+THEY SHOULD BE CONSULTANTS AND ADVISERS TO THEIR CLIENTS WHO ARE NOW MERELY EXTRACTORS AND EXPORTERS OR RAW MATERIAL RESOURCES.+

ABOUT 300 PARTICIPANTS ARE ATTENDING THE TWO-DAY CONFERENCE ORGANISED BY THE FINANCIAL TIMES AND THE BUMIPUTRA MERCHANT BANKERS.
— BERNAMA 1520/1B