

Opening new era for trade ties

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Counter trading

It has therefore been decided to promote counter trading with them.

At the same time, Dr Mahathir explained that Malaysia's traditional markets for its raw materials have been shrinking and the country thus has to look for new markets.

Dr Mahathir, however, was not enthusiastic about holding a summit among southern developing countries.

He said: "I have indicated to the six countries I recently visited (referring to Bangladesh, Sri Lanka and Maldives which the Prime Minister visited last month) that Malaysia is not too keen on multi-lateral negotiations because when too many countries hold talks together, it becomes a forum, not a platform for real relationships.

"Only statements are made and no abiding and personal relationships are established. Because of this, the results of multi-lateral conferences are limited. It is more fruitful to establish bilateral links."

Answering a question on possible purchases of arms from Turkey and Yugoslavia, Dr Mahathir pointed out that Malaysia already buys small arms and bullets from the latter.

BUCHAREST, Wed. — Prime Minister **Datuk Seri Dr Mahathir Mohamad** last night expressed full satisfaction with the progress achieved in promoting South-South relations by the official visit to Yugoslavia, Turkey and Romania.

Speaking at the end of his nine-day visit to the three countries to Malaysian newsmen accompanying his party, Dr Mahathir said that direct contacts between national leaders were extremely useful for enhancing bilateral relations.

The three countries, he continued, have good trade potentials and industrial capabilities beyond our own assessment.

All the three countries, the Prime Minister noted, have both an unfavourable trade balance with Malaysia and foreign exchange problems.

Malaysia, he said, has no inhibition about buying arms from whatever source as long as the price is right and they meet the country's specifications.