

MAHATHIR-BUSINESS
F R O M ABDUL RAHMAN SULAIMAN 84
SYDNEY, AUG 13 (BERNAMA) -- THE MALAYSIAN OVERSEAS INVESTMENT CORPORATION (MOIC) HAS ESTABLISHED SEVEN BRANCHES IN THE PACIFIC REGION AS PART OF ITS INITIAL MOVE TO SPREAD ITS INVESTMENT WING IN DEVELOPING COUNTRIES.

PRIME MINISTER DATUK SERI DR MAHATHIR MOHAMAD WHO DISCLOSED THIS HERE TONIGHT SAID THE CORPORATION HAD ALSO SIGNED A JOINT-VENTURE AGREEMENT FOR THE BUILDING OF 4 MULTI-STOREY HOTEL IN SUBA AND WAS IN THE PROCESS OF NEGOTIATING FOR THE DEVELOPMENT OF A TOURIST PROJECT IN PAPUA NEW GUINEA.

HE SAID THE CORPORATION FORMED BY JOINTLY BY 13 COMPANIES IN MALAYSIA AFTER HIS RETURN FROM AN OFFICIAL TRIP TO SOUTH PACIFIC COUNTRIES SOME TIME AGO WAS MAKING SATISFACTORY PROGRESS ALTHOUGH IT MIGHT BE A BIT SLOW IN SECURING SUBSTANTIAL INVESTMENTS.

THE PRIME MINISTER WAS REPLYING TO QUESTIONS RAISED DURING A DINNER IN HIS HONOUR BY THE ASEAN-AUSTRALIA BUSINESS COUNCIL HERE.

ABOUT 300 LEADING AUSTRALIAN BUSINESSMEN, BANKERS AND INVESTORS ATTENDED THE DINNER AT A HOTEL. --MORE
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HE SAID THE IDEA BEHIND THE SETTING UP OF THE CORPORATION WAS TO PROMOTE BETTER LINKS WITH DEVELOPING COUNTRIES IN THE PACIFIC REGION AS WELL AS IN OTHER PARTS OF THE WORLD, PARTICULARLY IN ECONOMIC AND TRADE MATTERS.

+ALTHOUGH WE ARE NOT AN ADVANCED COUNTRY, WE FEEL WE HAVE CERTAIN EXPERTISE AND EXPERIENCE AND WE CAN CONTRIBUTE TO THE DEVELOPING COUNTRIES IN THE REGION IN THE INTERESTS OF BOTH, HE SAID.

DATUK SERI DR MAHATHIR MADE IT CLEAR THAT IT WAS NOT THE GOVERNMENT'S INTENTION TO ENCOURAGE THE CORPORATION TO INVEST IN DEVELOPED COUNTRIES IN THE REGION SUCH AS AUSTRALIA AND NEW ZEALAND

ON HIS PERCEPTION OF AUSTRALIA'S ROLE IN THE ASIA-PACIFIC REGION, THE PRIME MINISTER SAID IT WAS MALAYSIA'S HOPE THAT BEING ONE OF THE TWO DEVELOPED COUNTRIES IN THE AREA, AUSTRALIA COULD PROVIDE THE GUIDANCE TO LESS DEVELOPED COUNTRIES WHILE PROVIDING A GOOD MARKET FOR THE PRODUCTS OF THESE COUNTRIES.

HE SAID SUCH COOPERATION WOULD CERTAINLY LEAD TO BETTER COHESION IN RELATIONS AMONG COUNTRIES WITHIN THE REGION. --MORE
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SUCH A COHESION WOULD IN TURN LEAD TO GREATER INDUSTRIAL COMPLEMENTATION AMONG THE COUNTRIES CONCERNED.

HE CITED AS AN EXAMPLE MALAYSIA'S OWN POSITION IN THE MATTER. HE SAID IT WAS UNWISE FOR MALAYSIA, BECAUSE OF ITS LIMITED EXPERTISE AND SKILL, TO ATTEMPT TO GO INTO A HIGHER TECHNOLOGY INDUSTRY IF AUSTRALIA'S OWN WAS HIGHLY DEVELOPED.

+IF AUSTRALIA IS READY WE WILL PROVIDE OTHER SUPPORTING INDUSTRIES AND IN THIS WAY BOTH COUNTRIES WILL GAIN IN TERMS OF COST BENEFITS, HE SAID.

DATUK SERI DR MAHATHIR ALSO ANSWERED QUESTIONS ON MALAYSIA'S LOOK EAST POLICY, THE PRIVATIZATION CONCEPT AND AUSTRALIA'S FUTURE ROLE WITH REGARD TO ASEAN.

TO A QUESTION ON WHETHER HE SAW THE POSSIBILITY OF AUSTRALIA BECOMING AN ASEAN MEMBER ONE DAY, GIVEN THE PRESENT UNDERSTANDING BETWEEN AUSTRALIA AND THE REGIONAL GROUPING, THE PRIME MINISTER SAID HE DID NOT SEE THE POSSIBILITY OF SUCH A DEVELOPMENT IN THE FORESEEABLE FUTURE. --MORE

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+AS IT IS NOW WE HAVE REJECTED APPLICATIONS FROM SOME DEVELOPING COUNTRIES IN THE REGION FOR MEMBERSHIP OF ASEAN. IT IS HIGHLY UNLIKELY THAT WE WILL ACCEPT AUSTRALIA WHICH IS A DEVELOPED COUNTRY WHILE REJECTING THE DEVELOPING ONES,+ HE ADDED.

+HOWEVER AUSTRALIA WILL CONTINUE TO BE AN ASEAN 'CLOSED DIALOGUE PARTNER' AND SHOULD BE READY TO ACCEPT SOME OF OUR SIMPLE PRODUCTS,+ HE SAID.

EARLIER IN HIS SPEECH, DATUK SERI DR MAHATHIR SAID THERE WAS NOW A NEED FOR DEVELOPED COUNTRIES TO RETURN TO INTERNATIONALLY-AGREED RULES AND PROCEDURES FOR THE BETTER CONDUCT OF TRADE.

HE SAID AUSTRALIA, ALONG WITH OTHER DEVELOPED COUNTRIES, MUST REMAIN COMMITTED AND RESOLVED TO HAVING AN OPEN AND FREE MULTILATERAL TRADING SYSTEM.

HE SAID: +REMEMBER ALWAYS THAT THE PROSPERITY OF YOUR CUSTOMER IS BENEFICIAL TO YOU. THERE IS NOT MUCH THAT YOU CAN SELL TO POOR PEOPLE. SO HELPING YOUR TRADING PARTNERS TO ACHIEVE PROSPERITY IS GOOD FOR YOUR BUSINESS. +

THE PRIME MINISTER EXPRESSED REGRET OVER WHAT HE DESCRIBED AS STAGNATING ECONOMIC AND TRADE RELATIONS BETWEEN MALAYSIA AND AUSTRALIA OVER THE PAST FEW YEARS.--MORE,

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BLAMING AN INCREASINGLY PROTECTIONIST AUSTRALIA FOR IT, HE SAID: +THIS SITUATION CAN ONLY BE DESCRIBED AS DISAPPOINTING, PARTICULARLY IN VIEW OF THE CLOSE PROXIMITY OF THE TWO COUNTRIES.+

+AUSTRALIA'S RESPECTIVE IMPORT POLICIES HAVE MADE IT INCREASINGLY DIFFICULT FOR MALAYSIA'S MANUFACTURED PRODUCTS TO ENTER THE AUSTRALIAN MARKET.+

+TO QUOTE A FEW EXAMPLES, PLYWOOD, CLOTHING AND FOOTWEAR, AIR CONDITIONERS, FATTY ACIDS AND RUBBER GLOVES ARE SUBJECTED TO HIGH IMPORT DUTIES AND QUOTAS,+ HE SAID.

THE PRIME MINISTER SAID THAT WHAT WAS PARTICULARLY DISAPPOINTING WAS THAT THESE WERE PRODUCTS FOR WHICH MALAYSIA HAD DEVELOPED A COMPETITIVE ADVANTAGE AND WHICH IT WAS PROMOTING IN ORDER TO STEP UP THE VALUE ADDED-CONTENT OF ITS EXPORTS.

HE HOWEVER BELIEVED THERE WAS NOW ROOM TO SUBSTANTIALLY INCREASE THE LEVEL OF TRADE BETWEEN THE TWO COUNTRIES FOR MUTUAL BENEFIT.

THIS CALLED FOR GREATER AND CONTINUOUS CONTACT BETWEEN AUSTRALIAN AND MALAYSIAN BUSINESSMEN.

HE EXPLAINED THE CONSISTENTLY UNBALANCED 'TRADE' BETWEEN THE TWO COUNTRIES WHICH WAS HEAVILY IN AUSTRALIA'S FAVOUR FOR MANY YEARS HAD BECOME A SOURCE OF CONCERN TO MALAYSIA.

--BERNAMA