

Better ties via trade

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KUALA LUMPUR, Tues. — Britain's trickling 'imports of local goods and its persistent trade surplus with Malaysia could prove the stumbling block in bilateral relations, the Prime Minister said tonight.

(Datuk Seri Dr Mahathir Mohamad stressed that declining trade between the two countries would "negate all the efforts we have put in together to consolidate and strengthen our relations."

"The sooner we find a solution to the problem of trade imbalance, the sooner we can concentrate on other areas of co-operation," he said at the inaugural dinner of the Malaysian-British Society.

He was "deeply concerned" about the shrinking British market for Malaysian goods, falling British exports and the fact that "the balance of trade with Britain

has never been in our favour".

"I learn with regret that there has been very little change in Malaysia's share of the British market for many years."

Britain ranks sixth among Malaysia's trading partners, accounting for three per cent of total trade with Malaysia compared with eight per cent a decade ago.

Good reputations

Malaysia makes up only one-half per cent of total British trade compared with five per cent 10 years ago.

While Dr Mahathir appreciated "the positive contributions of the British Government as well as the business community towards meeting the aspirations of the New Economic Policy, we must not allow such a (trade imbalance) situation to persist".

He hoped that both British-Malaysian and Malaysian-British societies "will give this important issue due consideration in their future deliberations".

The Prime Minister was especially supportive of these channels for enhancing commercial ties.

"I understand the discussions were frank and fruitful and areas of co-operation, including investment opportunities, training and transfer of technology have been examined and programmes were outlined for future action."

Both societies are headed by former central bank governors — Tun Ismail Ali and Lord Richardson.

The two are "men of few words, but they have established a reputation of getting things done," noted the Prime Minister.