

D712

B E712 AAE

MAHATHIR-INVESTMENT R R R  
FROM WAN A.HULAIMI

LONDON, JULY 22 (BERNAMA) -- MALAYSIA HAS BEEN ABLE TO ACHIEVE A TURNAROUND IN THE ECONOMY BECAUSE THE GOVERNMENT DID NOT PANIC OR DEVALUED THE CURRENCY OR RENEGED ON ITS DEBT PAYMENT DURING THE ECONOMIC DOWNTURN, DATUK SERI DR MAHATHIR MOHAMAD SAID TODAY.

THE PRIME MINISTER SAID THE MALAYSIAN ECONOMY HAD BEEN POSITIVELY IMPROVING SINCE THE BEGINNING OF THIS YEAR AND SHARE PRICES WERE PICKING UP AND SALES VOLUME HAD INCREASED.

SPEAKING TO A PACKED AUDIENCE OF BRITISH BUSINESSMEN AT A MALAYSIAN INVESTMENT SEMINAR AT THE LONDON HILTON, HE SAID THAT MALAYSIA'S FORMER DEFICIT TRADE BALANCE HAD NOW BECOME A SURPLUS AND MANUFACTURED GOODS WERE YIELDING GREATER EXPORT EARNINGS.

+GROWTH IN 1987 WILL BE HIGHER THAN PROJECTED AND FOREIGN LOANS WILL ACTUALLY SHRINK,+ DATUK SERI DR MAHATHIR SAID.

HE SAID MALAYSIA ACHIEVED THIS BY MAKING ADJUSTMENTS AND CORRECTIONS INSTEAD OF PANICKING OR CHANGING THE BASIC ECONOMIC POLICIES. -- MORE

2042MST 22 07 87

D720

B E713 AAE

MAHATHIR-INVESTMENT 2 LONDON R R R

+WE ADOPTED A MORE FLEXIBLE STANCE. GOVERNMENT SPENDING WAS REDUCED AND TAXES LOWERED,+ HE SAID.

+EFFICIENCY WAS IMPROVED AND, WHERE POSSIBLE, GOVERNMENT PRIVATISED UTILITIES AND SERVICES. FOREIGN INVESTORS WERE GIVEN ADDITIONAL INCENTIVES AND WOOED WITH GREATER FERVOUR, AS WERE THE TOURISTS,+ HE ADDED.

ON COMMODITY PRICES, DATUK SERI DR MAHATHIR AGREED THAT THEY WOULD NEVER REGAIN THEIR OLD PRICE LEVELS, EVEN THOUGH PRICES WERE NOW PICKING UP AGAIN.

+MALAYSIA IS NOT TAKEN IN BY THIS,+ HE SAID, +BUT WILL CONTINUE TO DIVERSIFY INTO MANUFACTURING -- AN AREA WE ARE NOT BAD AT.

+IN A FEW YEARS, WE HAVE BECOME THE WORLD'S BIGGEST PRODUCER OF ROOM AIR-CONDITIONERS AND INTEGRATED CIRCUITS AFTER THE US AND JAPAN.+ -- MORE

2054MST 22 07 87

D723

B E714 AAE

MAHATHIR-INVESTMENT 3 LONDON R R R

URGING THE INVESTORS TO COME TO MALAYSIA, HE SAID THAT IT WAS TRUE THAT THESE COMPANIES WERE FOREIGN-OWNED BUT ADDED THAT THEY COULD NOT HAVE BEEN SUCCESSFUL IN MALAYSIA WITHOUT ALSO RECEIVING INPUT FROM MALAYSIANS.

+OTHERWISE, THEY COULD BE JUST AS BIG AND SUCCESSFUL IN OTHER COUNTRIES+, HE TOLD THOSE ATTENDING THE SEMINAR AND INVITED THEM TO FIND THAT OUT FOR THEMSELVES BY INVESTING IN MALAYSIA.

ON THE +LOOK EAST+ POLICY WHICH HE SAID HAD CAUSED A LOT OF MISGIVINGS AMONG EUROPEANS AND AMERICANS, DATUK SERI DR MAHATHIR SAID IT HAD NOTHING TO DO WITH CONTRACTS AND TENDERS.

+THE BEST BIDDER WINS AND EVERYWHERE IN THE WORLD THE JAPANESE AND THE (SOUTH) KOREANS HAVE BEEN ABLE TO PRICE THEIR GOODS AND SERVICES ATTRACTIVELY.

+EVEN IN ENGLAND, UNLESS YOU ARE FIERCELY BRITISH, YOU FIND DIFFICULTY NOT TO BUY JAPANESE GOODS,+ HE SAID. -- MORE

2058MST 22 07 87

B E715 AAE  
MAHATHIR-INVESTMENT 4 LONDON R R R

MALAYSIA LOOKED EAST BECAUSE THE GOVERNMENT WANTED TO KNOW WHAT IT WAS WHICH ENABLED THE JAPANESE, SOUTH KOREANS AND TAIWANESE TO COMPETE SUCCESSFULLY WITH THE DEVELOPED COUNTRIES OF THE WEST, DATUK SERI DR MAHATHIR SAID.

+THE LOOK EAST POLICY IS CONCERNED WITH LEARNING (THEIR) WORK ETHICS, MANAGEMENT METHODS AND ORGANISATION OF BUSINESS. THESE PEOPLE ARE OBVIOUSLY SUCCESSFUL ... SURELY THERE MUST BE SOMETHING THEY ARE DOING RIGHT. WE WANT TO KNOW WHAT THAT IS.+

HE TOLD THE WESTERN INVESTORS THAT EVEN WITH THE LOOK EAST POLICY, THEY STILL HAD A CONSIDERABLE EDGE.

+MALAYSIANS ARE A CONSERVATIVE LOT,+ HE SAID, ADDING +THEY DO NOT RESPOND TO CHANGE READILY.

+THEY SPEAK MORE AND BETTER ENGLISH THAN THEY EVER WILL JAPANESE ... YOU KNOW BETTER HOW TO USE THAT,+ -- MORE  
2100MST 22 07 87

D735

B E720 AAE  
MAHATHIR-INVESTMENT 5 LONDON R R R

TELLING HIS AUDIENCE THAT THE BRITISH GOVERNMENT WOULD BACK THEM, HE SAID: +LOOK AT BIWATER. IT LANDED ONE OF THE BIGGEST CONTRACTS IN MALAYSIA.+

HE ALSO REMINDED THEM THAT THERE WERE STILL SOME 100,000 MALAYSIAN STUDENTS IN THE WEST COMPARED WITH 500 IN JAPAN AND EVEN LESS IN SOUTH KOREA.

+WE HAVE NOT STOPPED LOOKING WEST,+ HE SAID.

EARLIER, REFERRING TO THE BUY-BRITISH-LAST POLICY ADOPTED BY MALAYSIA DURING THE PROBLEM PERIOD OF MALAYSIAN-BRITISH RELATIONSHIP, DATUK SERI DR MAHATHIR SAID THAT +EVEN THEN WE STILL LAID OUT THE WELCOME MAT FOR BRITISH INVESTORS.

+WE HAVE BURIED THAT POLICY LONG AGO,+ HE SAID. -- MORE  
2119MST 22 07 87

D763

B E738 AAE  
MAHATHIR-INVESTMENT 6 LONDON R R R

ON THE MALAYSIAN POLITICAL SCENE, DATUK SERI DR MAHATHIR SPOKE ON THE STRENGTH OF THE BARISAN NASIONAL GOVERNMENT, THE NEW ECONOMIC POLICY (NEP) AND ISLAMIC FUNDAMENTALISM.

HE SAID A MEMBER OF A BRITISH PARLIAMENTARY DELEGATION WAS ASTOUNDED RECENTLY WHEN HE TOLD HIM THAT THERE WERE 13 PARTIES IN THE COALITION BECAUSE IN THE UNITED KINGDOM IT WAS DIFFICULT EVEN FOR TWO PARTIES TO COOPERATE IN AN ELECTION.

IT WAS, DATUK SERI DR MAHATHIR SAID, +A MEASURE OF OUR TOLERANCE THAT 13 MALAYSIAN PARTIES COULD WORK TOGETHER FOR YEARS AND YEARS.

+IT MUST BE REMEMBERED THAT IF THE MALAYS ARE TRULY RACIALISTS, AS THEY HAVE BEEN ACCUSED OF, THEY COULD RULE THE COUNTRY ON THEIR OWN. BUT DESPITE HAVING SUFFICIENT MAJORITY, THEY CHOSE TO FORM THE GOVERNMENT IN COALITION WITH THE OTHER RACES.

+THE RESULT IS THAT ALL RACES ARE REPRESENTED IN THE GOVERNMENT AND ISSUES ARE REMOVED FROM THE STREETS AND TRANSFERRED TO THE CABINET ROOM. THE NET RESULT IS A REDUCTION IN THE TENSION AND TURMOIL SO COMMON IN MULTIRACIAL COUNTRIES,+ THE PRIME MINISTER SAID.

ON THE NEP, HE SAID THAT BECAUSE OF THE RECESSION, THE GOVERNMENT HAD HELD IN ABEYANCE THE IMPLEMENTATION OF CERTAIN PROVISIONS, ADDING THAT +THE RESULT IS THAT WE WILL NOT ACHIEVE THE NEP TARGET BY 1990. -- MORE  
2209MST 22 07 87

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B E739 AAE  
MAHATHIR-INVESTMENT 7 LONDON R R R

+WE FEEL THAT THE REASONS FOR THE NEP WILL BE NO LESS COGENT AFTER 1990 THAN BEFORE 1990. SO LONG AS GLARING DISPARITIES ARE PRESENT, SOMETHING HAS TO BE DONE TO CORRECT THEM.

+BUT WE ARE MORE EXPERIENCED NOW,+ DATUK SERI DR MAHATHIR SAID, ADDING: +WE WILL STRUCTURE THE MALAYSIAN SOCIETY ECONOMICALLY, SOCIALLY AND POLITICALLY IN ORDER TO REDUCE DISPARITIES WITHOUT CAUSING TOO MUCH NEGATIVE EFFECTS.+

HE ASSURED FOREIGN INVESTORS THAT ANY INVCONVENIENCES TO THEM WOULD BE MINIMAL.

ON ISLAMIC FUNDAMENTALISM, DATUK SERI DR MAHATHIR SAID THAT SOME PEOPLE MIGHT HAVE CONFUSED THE TERM WITH EXTREMISM -- TWO TERMS WHICH WERE NOT THE SAME.

HE AGREED THAT THERE WERE EXTREMISTS IN MALAYSIA BUT SAID THESE PEOPLE WERE INTOLERANT OF THE WAYS OF OTHERS, INCLUDING OTHER MUSLIMS.

+FROM THE POINT OF VIEW OF THE ISLAMIC RELIGION, THESE PEOPLE ARE WRONG. AND BECAUSE THEY ARE WRONG, THE FUNDAMENTALIST MUSLIMS, LIKE MYSELF, HAVE BEEN ABLE TO COUNTER THEM,+ HE SAID. -- BERNAMA 2211MST 22 07 87