

Malaysia gateway to Pacific Rim: PM

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NST 21 SEP 1988

COLOGNE, Tues. — West Germany should capitalise on its strong currency vis-a-vis the ringgit and invest in Malaysia as the country offers industrialists a springboard to Asean, Japan and China, Datuk Seri Dr Mahathir Mohamad said.

The Prime Minister said: "Malaysia's combination of raw materials, manpower, energy, infrastructure, realistic Government policies and incentives provide investors from the West an attractive Eastern base from which to launch an export drive

into the lucrative markets of the Pacific Rim."

Dr Mahathir told this to a group of influential West German businessmen and bankers at an investment seminar here.

The businessmen are members of the Federation of German Industry (BDI), Association of German Industry and Commerce (DIHT), Association of German Banks, the Federation of German Wholesale and Foreign Trade, East Asia Association (OAV) and the Ger-

man-Malaysian Business Group.

Dr Mahathir said Japanese companies, hurt by the rising yen and other costs, are now coming to Malaysia to manufacture their products for export back to Japan.

"This is testimony to the strength of the Malaysian (investment) environment," he said.

He told the West Germans that "you can take your profits

and capital out any time you want," and that the stronger Deutschmark vis-a-vis the ringgit is a plus for German investors.

He said the industrialisation programme of Malaysia could not be carried out by Malaysians alone.

The country still lacks the know-how and entrepreneurial skills, making it necessary for Malaysia to "accept and welcome foreign participation."

Statistically, about 60 German companies are involved in some form of manufacturing activity in Malaysia with investments of 110 million marks and employing 17,000 Malaysians.

Impressions

Dr Mahathir said famous names like Siemen, BASF and Staedtler have invested in Malaysia and is an indication that the country is becoming increasingly well known in West Germany.

"Despite this indication, some of you may have had your impressions coloured by reports that have appeared in the international media over the last year or so.

"But Malaysia would not be economically and financially sound today if the reports were accurate. We would welcome anyone to come and cross-check the facts," he said.

Dr Mahathir then proceeded to elaborate on Malaysia's privatisation policy, the incentives given to the private sector to encourage it to expand and diversify the economy, infrastructural development and the return of growth figures experienced in the 70s.

Rounding up, the Prime Minister said: "We are aware that critical parameters for any investment decision, other than the technical viability of the project, would be factors such as political stability, economic strength, the policies and predictability of the Government pertaining to foreign investments, infrastructure, banking and finance, the local business environment and the quality of life that the country offers.

"I believe you will find that Malaysia provides all these ingredients," he said.