

Arms deal will help boost our exports, says Dr M

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KUALA LUMPUR, Sat. — The proposal to buy armaments from Britain under a barter trade arrangement will increase exports of petroleum and palm oil to that country, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

Dismissing claims that the purchase of \$4 billion worth of weapons would affect the nation's development, he said the move would enable the country to sell more of its commodities.

"How can the purchase affect the development of the nation when without such a move the country's commodities might not find their way to other countries?"

Speaking at a Press conference at Subang airport on his return from a three-week visit to Europe, the United States and Japan, he said the trip had given foreign investors renewed confidence in pumping more money here.

He said investors who previously had doubts about investing in Malaysia were now paying serious attention to the country in view of the latest investment incentives offered by the Government.

The Prime Minister said he was assured by the European Community Commission

(ECC) that it would continue to trade with countries outside the EC after 1992 which, he added, was an encouraging sign for Malaysia, which is to increase exports to that region.

On the appreciating yen, he said Japanese Prime Minister Noboru Takeshita had expressed his understanding of the situation faced by Malaysia in paying back its loans to Japan.

He said Japan had hinted that future loans for Malaysia would be granted at a concessional rate.

Promises

On allegations by certain quarters that MCA President Datuk Dr Ling Liong Sik's six-week leave was because of Barisan Nasional's alleged failure to fulfil certain promises, he said:

"The question of not fulfilling promises should not arise ... what is needed is only time. We will look at the problems."

He said he did not see anything unusual about Datuk Dr Ling going on leave, the Transport Minister having indicated that he needed rest.