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Mahathir-Vietnam

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KUALA LUMPUR, Feb 4<sup>1991</sup> (Bernama) -- Datuk Seri Dr Mahathir Mohamad today offered Malaysia's assistance to develop Vietnam, particularly in the fields of petroleum, mining, plantation and forestry.

The Prime Minister also declared Malaysia's willingness to invest in financial services and to revive its special scheme to develop Vietnam's rubber industry which stopped after the Cambodian war erupted.

Opening the World Bank's Development Strategy Symposium here, he said that Malaysia was willing to share its expertise and know-how with Vietnam.

The two-day symposium, specifically organised by the bank to assist Vietnam in its development programmes, is attended by Malaysia, Indonesia, South Korea and Vietnam.

The Vietnamese delegation was led by the First Vice Chairman of its Council of Ministers, Encik Vo Van Kiet.

Datuk Seri Dr Mahathir said that an increased economy for Vietnam would not only contribute to a prosperous Vietnam but would also benefit the whole of Southeast Asia as well as the world.

+The trend towards increasing economic liberalisation of Vietnam is particularly significant to us, as we are all close neighbours,+ he added.  
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Datuk Seri Dr Mahathir said that although Malaysia had diplomatic relations with Vietnam, economic and trade relations between the two countries was small. Its annual trade with Vietnam only amounted to about US\$50 million, he added.

This, he said, resulted from the poor contact and difference in perceptions of each other's systems and political interests in the recent past.

However, the Prime Minister said that better trading contacts and more visits by Vietnamese officials to Malaysia of late had reduced misunderstandings and increased trade and investments between the two countries.

Datuk Seri Dr Mahathir also said that Malaysia was pleased to note that the +doi moi+ or process of renovation in Vietnam, which began since 1986, had achieved measurable success.

He hoped that Vietnam would continue with its efforts to liberalise and develop its economy. -- more

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Datuk Seri Dr Mahathir also reiterated the need to establish an East Asian Economic Grouping, which Malaysia was promoting, to counter trade protectionism by the European and American blocs.

He stressed that the detrimental effects of protectionist policies could be minimise if East Asian countries could speak with one voice on issues of common concern.

+Singly, we will have no hope of arguing our case,+ he said.

Urging Vietnam to seriously study Malaysia's proposal, he said discussions on the matter could be held later.

Speaking to reporters about the proposed grouping, Datuk Seri Dr Mahathir said: +We will want to meet everybody in East Asia (on the matter), not just Vietnam.+

He also said that the Brunei Government had responded +positively+ to the proposal during discussions with International Trade and Industry Minister, Datuk Seri Rafidah Aziz. -- Bernama