

Time for 3rd World to fend for itself

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From HARDEV KAUR:

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THE Prime Minister's **three-day** official visit to Tanzania has been described as successful by officials of both sides. Described by the local press as "the **greatest** champion of the **poor**", **Datuk Seri Dr Mahathir Mohamad**, stressed the need for developing countries of the South to help themselves.

He has been relentless in his call for South-South cooperation and has visited a number of countries in recent months to stress the need for developing countries to work together for mutual benefit.

With the growing trend towards regionalism and inward-looking policies, the developing countries will have to fend for themselves even more. With the economies of the developing South being dependent on trade to **help** lift their standards of living they **may increasingly** have to look to other developing countries.

In this respect, the "way forward" for them has been outlined in the South Commission report. It clearly says that the South must move and find its own way in the world. There is much the developing countries can do and there are many similarities and experiences that they can draw upon.

Datuk Seri Dr Mahathir told a press **conference**, at the end of his three-day official visit to Tanzania that both Malaysia and Tanzania have a lot in common. There are "surprising" similarities in the language too. The Malay words "**dharura**" and "wilayah" have similar meanings in Swahili.

In addition there are a number of areas which offer Malaysian businessmen great opportunities. The Prime Minister cited the rubber and palm oil plantation and tourism sectors as some of the areas in which Malaysians should consider **participating** in.

Malaysian businessmen and entrepreneurs should also take advantage of the trade opportunities available. For example, the local demand for T-shirts in Tanzania is about 44 million pieces a year but the local **supply** is only 8 million pieces. With the EC and US **textile** quota largely untapped, Malaysian businessmen should consider venturing into these newer untapped markets.

In addition, as the Tanzanian leadership is intent on moving the economy away from being a closed one to one that is more open and driven by market forces, the resultant opportunities will be **enormous**. The Japanese, South Koreans and Taiwanese are already taking steps cash in on these opportunities with some of them having started preliminary talks in Dar Es Salaam.

Malaysian businessmen have been given a headstart with the Prime Minister having laid the foundation for a

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strong, sustained and dynamic relationship between the two countries.

Tanzania has common borders with eight other countries in Africa most of which are either totally or partially landlocked and depend on Tanzania for the link to other parts of Africa and the rest of the world. Dar Es Salaam, its largest port, is also the largest on the East Coast of Africa. And as a businessmen put it, "it works" and the maximum turnaround time for a containership is seven days.

Furthermore, Tanzania offers investors very few other African countries can: political stability. It is a "sea of calm" and has not experienced any strife in its 30 years of independence.

Other plus factors include rich natural resources and economic policies that are not restrictive.

Mr J. Jegathesan, Mida's Director of Planning, Research and International Cooperation, said incentives for foreign investors

offered by Tanzania are **very** attractive: He should know. **Not** only was he the pioneer in **Mida** but he has also helped in the establishment of the Tanzanian International Promotion Centre (IPC) and in the Investment Promotion Office in Zimbabwe.

Director General of the IPC Mr George Kahama said Tanzania has to offer incentives that are very attractive to woo investors to come here. After all, he adds, we have to compete **with the rest** of the world for limited financial resources.

With the most powerful law in place to attract investments, foreign investors were quick to respond. In just 12 months the IPC received 650 applications of which 175 were approved with a proposed investment of **US\$500 million (US\$1 = \$2.75)**. Malaysians have made some enquiries and the iron and steel federation is expected to send a delegation to explore the possibilities in Tanzania soon. But they need to

be more aggressive.

In **addition to** setting up manufacturing **operations**, Malaysians can offer assistance in the training and management fields. Tanzania, with a substantial Muslim population, is interested in **learning** about the Tabung Haji **scheme**, in restructuring **society** and in the role of Permodalan Nasional Bhd (PNB).

A delegation is expected to **visit** Malaysia soon to see for themselves the administration and management of Tabung Haji, PNB and various sectors of the economy.

In addition Mr Kahama said the IPC hopes to send a delegation to Malaysia to **participate** in a seminar to promote Tanzania as a centre for investment.

With all the plus factors, Malaysian businessmen must take the initiative now to tap the vast opportunities that are begging to be turned into paying business ventures.