

Dr Mahathir opens Malaysian-

Springboard for

Vietnamese bank in Hanoi

closer ties

From A. Kadir Jasir.

HANOI, Tues. ---Prime Minister Datuk Seri Dr Mahathir Mohamad opened a Malaysian-Vietnamese bank here today and said the joint venture will form the springboard for many other similar partnerships.

The establishment and nurturing of a strong and mutually reinforcing Malaysian relationship with the Indochinese countries is "timely and augurs well for the reconstruction process of these countries," he said.

The bank, VID Public Bank, is the first Malaysian-Vietnamese joint venture bank. The partners are Malaysia's Public Bank and the Bank for Investment and Development of Vietnam. It is understood that Public Bank's investment is about US\$10 million (M\$26m).

Dr Mahathir said domestic resources needed to be mobilised for productive deployment in the economy and for this banks have an important role to play.

While foreign funds provide a valuable source of money, local funds must be mobilised.

He said Malaysia's experience has convinced "us that an efficient banking system is the key in providing linkages between domestic savings and the investment needs of businesses."

Banks also provide trade financing to facilitate the import and export of goods.

"Without a sound and efficient banking sector, a nation's economic development would be hampered and business opportunities, particularly international trade, retarded," he added.

Referring to Vietnam's efforts, Dr Mahathir said the potential for development and expansion of banking and financial services in Vietnam looked bright.

"Given the Government's renovation and reconstruction programme and with the improved investment climate for domestic and foreign enterprises, businessmen and investors, including Malaysian firms, will be attracted to set up bases in Vietnam," the Prime Minister said.

A well-developed commercial banking sector, in

turn, will provide the impetus for greater economic growth, bringing with it higher gains for the host country and its people.

The Prime Minister, who is on a five-day official visit to Vietnam, told the audience that as a member of Asean, Malaysia is more than happy to be of assistance, especially in areas of technical know-how and expertise in development which it acquired during the process of its own development.

"A rapidly developing Vietnam would be beneficial for the concept of Asean to succeed," he added.

Speaking at a dinner last night, the Prime Minister told his guests that both Malaysia and Vietnam are now free and masters of their own destinies.

"We are responsible for our own well being. We cannot blame anyone if we fail to develop and give our people a better life."

He added: "We are not anti-European. Just hating others, will not get us anywhere. But on the other hand we must have pride in ourselves. In our abilities, in our achievements. No one should look down on us."

Malaysians and Vietnamese are Asians. Asian civilisation is older than any other civilisation in the world. However, to achieve greater heights "we must know the human characters, the systems and the policies and the skills in administration, in trade and in technology."

Other Asian countries have shown that they can master all these skills. Malaysia believes "we can do the same, and Vietnam, I am sure, believes in the Vietnamese capacity to rise to greatness."

"In the past, both Vietnam and Malaysia suffered the indignity of being under European rule. We had no chance to develop. We had to act as the suppliers of raw materials and markets for all that they produced.

"Our education was retarded and our skills were limited by them so that we may not prosper and be-

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PM: Future depends, on hard work

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come independent," Dr Mahathir said.

However, today the situation is different and the future of the people in both Vietnam and Malaysia is dependent on their own hard work. While there is much

that can be done and achieved, it cannot be achieved overnight.

"The mere adoption of democracy and the free market system will not make us successful and prosperous. The adjustments must be gradual. Our people must understand the workings of

these systems step by step making progress as they go along," Dr Mahathir added.

The examples of other Asian nations which have successfully developed can be followed. The Prime Minister said with the enlightened leadership in Vietnam and the willingness to cooperate with East Asian

countries, Vietnam can develop as Malaysia has developed.

Senior Government officials of both countries and businessmen from Malaysia and Vietnam attended the dinner hosted by Dr Mahathir which was followed by a cultural show.