

PM: Project hitch can be resolved

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TOKYO: A management and administration hitch holding up the implementation of the second Malaysian national car project can be overcome if the Malaysian partners were willing to compromise, Datuk Seri Dr Mahathir Mohamad said.

He told reporters at the end of his visit to Japan that Daihatsu chairman 3. Osuga told him during their meeting Monday that the problem was over management control.

Daihatsu Motor of Japan, which holds a 30 per cent stake in the project, is to produce an economical 660cc car in partnership with Med-Bumikar Mara, Permodalan Nasional Bhd and UMW Holdings Bhd.

Last July, Daihatsu and Med-Bumikar Mara were engaged in a tussle for control of the management of the new company.

Dr Mahathir said the Malaysian partners should not place too much emphasis on management control in the initial stage of the project without taking into account other aspects.

"In my view, in the early stages, we learn first. When we are already efficient and we want to take over, we can do so," he

added.

Dr Mahathir wanted the Malaysian partners to learn from the experience gained by Proton so as to avoid a recurrence of the problem.

He said: "For example, in Proton, we did not give any place to the Japanese side (Mitsubishi Motors Corporation) to the extent that they were unable to attend board meetings or when a briefing was given to me.

"For that reason, Proton could not progress and suffered losses."

To overcome the problem, Malaysia took in Japanese management from Mitsubishi Motors without ousting the Malaysian managers, he added, saying the management improved and now the company was making profits.

Dr Mahathir, whose brainchild it was to produce the first national car, said a Malaysian would succeed Proton managing director Mitsuo Hattori when he retired or returned to Japan.

"The person who takes over is already conversant with the workings and management of Proton," he added.

In the case of the second car project, Dr Mahathir said although the

Malaysian management might already possess knowledge of the automobile industry, the country still needed Japanese expertise to learn the production process or to reduce production costs.

"Even if the Japanese might not be given full powers as managing director, Malaysians must be willing to accept the views of those who know better," he said.

He said the world recognised Japan's superiority in the automobile industry.

Criticising the Malaysian partners, he said: "Germany too admit they are unable to compete with the Japanese in terms of quality.

"So, we in Malaysia should not adopt a proud attitude and think we already know everything and do not need anyone to teach us."

Dr Mahathir said except for the management issue, other aspects of the project were proceeding on schedule.

On Proton, Dr Mahathir said although Malaysians would eventually take over the management, the country could not do away with the Japanese completely in view of their knowledge. — Bernama