

How nation can thwart arm-twisting tactics

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KUALA LUMPUR, Mon. Attempts by other countries to "twist our arms" will not succeed if the country is politically stable, efficient and resilient, Datuk Seri Dr Mahathir Mohamad said.

The Prime Minister said such attempts could also be warded off by making sure that the country's industrial relations were harmonious and stable.

Responding to a panelist's question whether he was aware that some of his strong criticisms on international issues could lead to a backlash from the international community, Dr Mahathir said:

"Yes, there could be a possibility of that. In fact, we're feeling that already. Their efforts to make our production costs increase is a manifestation of that backlash.

"But we should know how to act to counter this . . . one of these is to make sure that our nation is administered properly, efficiently and not present a situation that could lead to instability. This is our strength.

"If they put pressure on

us, we should strengthen our defence. If our country's industrial relations are peaceful, its politics stable, its leaders and administration efficient, then our defence line is very strong. Then their attempts to twist our arm would not be so successful."

He added that one way by which the criticised countries could react would be by closing their markets to Malaysian goods, or threatened our goods with restricted entry.

The Prime Minister suggested that this could be countered by widening the domestic market.

He added that he wished to see the people wealthier and able to spend more, which would help stimulate economic growth.

Dr Mahathir said money would not yield anything if it was not used. That was why money hidden under the pillow would serve no purpose and could, in fact, lose its value if the currency depreciated.

He said: "One of our approaches to counter foreign

pressure on us is to improve our domestic economy. On top of this, we should look for nontraditional markets. Our market is limited to Europe, America and Japan.

"We see countries in the South buying a lot from the North. Even if they are poor, the fact is that they buy a lot from Europe, America and Japan. Why not from us?"

"That is why we send our trade missions to these countries. We need to identify what they want and what we can supply. As a result, our exports to these countries have now increased."

The Prime Minister said exports to some of these markets had increased by 300 per cent. But this was small because the base was small. But lately, the emergence of third country trading had also shown some results.

For instance, a Malaysian company had found out that Russia wanted to buy coffee. Malaysia does not produce coffee but the traders obtained the coffee from Columbia and sold it to the Russians.