

Malaysia to tap Swedish hi-tech

By Vijayan Menon

KUALA LUMPUR, Mon. Malaysia is looking forward to learn from Swedish technology as it intensifies its industrialisation process, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

Dr Mahathir said there were significant Swedish investments in Malaysia and the country ranked as Malaysia's largest trading partner among the Scandinavian nations.

He said the initiative of Swedish companies in Malaysia to establish a Malaysia Sweden Scholarship Fund was commendable, as it enabled Malaysians to acquire practical training and hi-tech knowhow.

"Since the establishment of diplomatic relations between Malaysia and Sweden, both our countries have enjoyed friendly relations which have gradually expanded over the years, bilaterally as well as multilaterally."

The Prime Minister said this in his speech at the official dinner in honour of visiting Swedish Prime Minister Carl Bildt.

Bildt arrived here yesterday on a three-day official visit. It is the first by a Swedish head of government to Malaysia.

Dr Mahathir said Malaysia had noted with interest the recent completion of the negotiation process in the application of Sweden, as

well as Austria, Finland and Norway to join the European Union (EU).

"An enlarged European Union, stretching into the Arctic Circle and the borders of Russia, with a single market of over 370 million people presents us with an enormous challenge and opportunity of increased trade and co-operation."

Malaysia hopes Swedish participation in the EU will lead to a more liberal economic approach by the EU internationally.

"As trading nations, our future well-being depends very much upon open and unmanaged international trade.

"We should therefore welcome the recent agreement in the General Agreement on Tariffs and Trade (GATT) negotiations and the proposal for a World Trading Organisation."

He hoped everyone would abide by the terms of the agreement adding it would be disastrous if some were to renege or take unilateral action.

A developing country like Malaysia has very few comparative advantages and it has to pay interest on foreign capital, royalty on foreign technology, taxes to penetrate the markets of the rich and considerable amounts on consultancy when it industrialises.

"Our sole advantage is our lower cost of labour, made possible by our low cost of living. We have to

forgo many luxuries, and even some necessities."

Dr Mahathir said if this sole advantage was taken away, then Malaysia would not be able to develop much less catch up with the developed countries.

"Yet there have been talks of levelling the playing field by removing the labour cost advantage we have.

"I would like to point out that a level playing field is only meaningful if contestants are of comparable strength. But a level playing field is meaningless for midgets competing against giants.

"We of the developing countries are midgets and can find no solace in levelling the playing field without cutting down the giants to size."

Dr Mahathir said Southeast Asia was at peace with itself and the rest of the world and "we now have the opportunity to concentrate our energies on achieving stability and progress."

Southeast Asia is among the few fortunate regions to benefit from the ending of the Cold War.

The same is happening to the Nordic region where the Baltic republics are seeking reintegration with their Western neighbours.

Regrettably, Dr Mahathir said, in the Balkan region, Serbian aggression and extreme nationalism had thrown Bosnia-Herzegovina into senseless conflict and turmoil, which may well ex-

tend to Kosovo and Macedonia.

Malaysia appreciates that Sweden has contributed generously to the United Nations peacekeeping and humanitarian relief efforts in Bosnia-Herzegovina.

"Malaysia too has deployed 1,500 soldiers in Bosnia under Unprofor. This together with our active participation in practically all United Nations peacekeeping activities, reflect our belief in collective responsibility to safeguard the sovereignty and territorial integrity of member states.

"As a small nation, Malaysia is well aware that we are not free from such threats."

Dr Mahathir said recent developments on the Bosnian situation had given rise to a glimmer of hope for normalcy and peace for that tragic nation.

"However, we must not deceive ourselves into any premature celebration. A durable peace can only be achieved if the European powers are prepared to let deeds follow words.

"It is the shooting down of a few Serbian aircraft that delivered the message. But for that the massacres would have gone on."

He also hoped that during the Swedish Premier's short visit here, he would be able to observe for himself how Malaysia's multi-racial society lived and its efforts in nation-building and economic development.