

Developing countries urged to establish close economic ties

From
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JAKARTA, Wed. — Developing countries should get together and improve their lot so that when they do liberalise their economies, they will be able to compete effectively.

Prime Minister Datuk Seri Dr Mahathir Mohamad said if their economies are strong they can also take an active part in the multi-lateral trade liberalisation exercise, such as within the Asia Pacific Economic Cooperation (Apec), and to a greater extent under the auspices of the General

Agreement of Tariff and Trade (GATT) and its successor, the World Trade Organisation.

Such co-operations between developing countries are important so that they can share both their natural and human resources.

He was speaking after witnessing the signing of memorandums of understanding between three Malaysian companies and three Indonesian firms here today.

Dr Mahathir said the world was no longer divided into ideology or political affinity, but instead on regional ties to meet the countries' economic needs, such as

through the Asean Free Trade Area.

Referring to the tie-ups between the companies from both countries, he said chances of them making progress was much better.

The Malaysian Government, he said, was committed to ensure the success of such tie-ups.

At the ceremony, Malaysia Mining Corporation (MMC) Bhd signed a memorandum of understanding with the Djajanti Group for counter investments in both countries.

MMC would invest a total of US\$200 million (about RM500 million) in a cement

plant and an oil palm plantation in Irian Jaya. Djajanti Group would in return invest US\$50 million to develop the fishing industry in Penang. (Please see report on Page 16.)

Damansara Realty Bhd signed an MoU with a subsidiary of the Dharmala Group, PT Dharmaland Intiland, on trading, manufacturing and in the construction materials industry.

CP (SEA) Sdn Bhd on the other hand signed with PT Dharmindo Adhiduta to set up a RM20 million investment to undertake the manufacturing and distribution of building materials.