

Dr M: Rising yen may boost investments here

By Manan Osman

KUALA LUMPUR, Sun. — Prime Minister Datuk Seri Dr Mahathir Mohamad said Malaysia hopes to capitalise on the rising yen to attract more Japanese investments to the country.

He also said the appreciation of the yen had greatly affected Japan's production capacity.

"As such we are thinking of ways of attracting more Japanese investments to the country," he said in response to questions from newsmen at the Kuala Lumpur International Airport on his return from a week-long working visit to Japan.

On hand to welcome him and Datin Seri Dr Siti Hasmah Mohd Ali were his deputy Datuk Seri Anwar Ibrahim and wife Datin Seri Dr Wan Azizah Ismail and several Ministers and Deputy Ministers.

Dr Mahathir said the rising yen was beyond Japan's control as it was caused by other countries out to make Japan less competitive.

He said he had given his views on the matter, adding that there was a difference between the rising yen and prices of goods.

"It does not mean that when the yen appreciates, the prices of goods in Japan also increase," he said.

On the other hand, he said costs could be reduced because the increasing yen would result in lower cost for imported raw materials for the Japanese industry including petroleum.

"In fact, Japan gets (the imported materials) for just one-third of the price. By right, the rising yen should not be too much of a burden to the prices of goods," he said.

Dr Mahathir said he was satisfied with his visit to Japan as it had given him the opportunity to meet many Japanese leaders and the business community.

He said he was able to gather information on the prospects of Malaysia getting more Japanese investments or at least some benefit from the rising yen.

On the East Asia Economic Caucus (EAEC), Dr Mahathir said he had to explain once again regarding membership for New Zealand and Australia in the caucus after he was misquoted by the foreign media.

He said the foreign Press only published the possibili-

ty of Australia and New Zealand being accepted in EAEC but completely ignored his explanations about the conditions for acceptance.

Dr Mahathir was reported to have said in an interview with *The Australian* recently that Australia could join the EAEC trade grouping.

Dr Mahathir, who also met several Liberal Democratic Party (LDP) leaders, said the party was in support of the EAEC although some felt that Australia and New Zealand should be included.

"I explained to them that the Asia-Pacific Economic Co-operation (Apec) also did not accept many Pacific countries like Cambodia, Equador, Chile and a number of others in the South Pacific.

"All these are Pacific nations but Apec does not accept them," he said.

Similarly, he said the European Union did not admit Turkey into the group.

"It also has its own list ... of who it wishes to accept (as members) or who it would not," he said.

"Why must EAEC accept Australia and New Zealand?" he asked.