

20/06/1997

Dr Mahathir: Lebanon has recovered remarkably from the ravages of war

Farush Khan in Beirut

PRIME Minister Datuk Seri Dr Mahathir Mohamad said he was surprised to see the extent of development in Lebanon, which he described as a good place to invest in.

He said what he saw since his arrival on Monday did not bear out the fact that the country had "a real war" just five years ago.

"I must say I am surprised at what I found here," he told Lebanese, Malaysian and other foreign reporters at the end of his three-day official visit on Wednesday.

He said he had seen pictures in reports on Lebanon which looked "as if the destruction was so great that it would not be able to recover" and that it was just a resort area.

"But I found Lebanon is much bigger than that. The built up area stretches all the way from Sidon (town) to Byblos (a town 37km north of Beirut).

"That is up to where I have travelled, but I was told it goes right up to Tripoli," he said.

He was responding to a question on his impression of Lebanon. Lebanese Prime Minister Rafic Hariri was also present at the 20-minute Press conference.

Dr Mahathir is scheduled to make a two-day visit to Hungary from Monday.

Dr Mahathir said he also found the reconstruction of Lebanon, which suffered 17 years of war and turmoil, "has gone on quite well so much so many of the buildings had been repaired and many new buildings had gone up."

"So I think Lebanon provides very good opportunities for trade and investment for Malaysians."

The Prime Minister said Malaysia was interested in privatised projects such as the construction of tolled road, and reclamation of land for development and farming.

Asked whether Malaysia was adopting a protectionist stance, he said in some cases it had to protect its economy. Otherwise it would be "swarmed completely".

"In Malaysia our financial sector has to be protected because our banks are relatively small, compared to the banks from America and Europe.

"If you allow them to come in and operate freely then our banks will be swallowed up. Similarly in the automotive industry we have to protect our market a little to ensure that the industry can grow. Once it has grown and is competitive we may end the protection.

"Protection is a temporary instrument to give strength to certain sectors in our economy."

He was also asked about the political risks that Malaysian investors may face in Lebanon.

He said risks were encountered everywhere and that the businessmen must take into consideration the "so-called country risks" when they invested in Lebanon.

"But we should not go by the country's risk published by certain agencies. We should make our own assessments and as far as I can see, although there are risks in many areas, Lebanon can be regarded as 'good risk'."

"We believe in a world that is prosperous throughout. That is why we keep on talking about the next century ... the century of the world, not

the century of East Asia or any region. We would like to see the world share in the wealth that is being generated.

"For that purpose, we have established contacts with other countries. Whenever we can assist in the growth of their economy, we will do so.

"We should try to prosper our neighbour. Help your neighbour because when a neighbour is prosperous you can trade with them. They won't give you trouble, but when a neighbour is poor, then you have to face a lot of problems."

On plans to enhance economic co-operation with Lebanon, he said Malaysia had proposed that a joint commission at ministerial level be set up.

"We also think business people should have a Lebanon-Malaysia business council."

He said one of the problems faced by both countries was the lack of information about each other.

"To overcome that, we have suggested that the news agencies of Malaysia and Lebanon have close contact and exchange reports."

He said television stations of both countries should also show, for instance, places of interest in each other's countries to attract tourists.

Hariri did not speak at the Press conference, except on one occasion when a Lebanese reporter asked Dr Mahathir what was his advice to Hariri to improve bilateral ties between the two countries.

Dr Mahathir light-heartedly said: "I have not appointed myself to be Hariri's adviser." To this Hariri said: "You have experience. We can learn from you, sir."

Asked whether Malaysia would appoint an ambassador to Lebanon, Dr Mahathir said that it had one accredited to Lebanon. "He is at the moment based in Cairo (in Egypt). He has not presented his credentials yet, but he is here anyway. So he is functioning as an ambassador."

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