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Dr M: Enrich thy neighbour policy has helped region

Azmi M. Anshar in Tokyo

DATUK Seri Dr Mahathir Mohamad, reiterating Malaysia's belief in helping other countries prosper under the enrich thy neighbour policy, yesterday pledged the country's continued commitment in this effort, adding that the approach had helped the region grow.

The Prime Minister said the recent history of the economic development of the Asian region clearly vindicated the wisdom of the philosophy. He said: "It is our commitment to the policy that contributed to our region becoming the world centre of growth with a vibrant and dynamic economy."

"The recent history of the economic development of our region clearly vindicates the wisdom of the philosophy," the Prime Minister said at a banquet in his honour hosted by Japanese Prime Minister Ryutaro Hashimoto at the latter's official residence. His speech was delivered in Bahasa Malaysia.

He then urged Japan to increase its high technology and capital-intensive investments in Malaysia.

Dr Mahathir had earlier concluded the Roundtable Meeting on new business at the Imperial Hotel and then witnessed the signing ceremony between KL PRT Sdn Bhd, the company behind the People's Rapid Transit, and Itochu Corp, Hitachi Ltd and Toyo Engineering Co Ltd.

Under the deal, the three Japanese companies will supply KL-PRT with the monorail system and its related equipment and services. KL PRT started construction of the RM1.9 billion People-Mover Rapid Transit earlier this month.

After the ceremony, Dr Mahathir held official talks with Hashimoto at the latter's official residence.

Dr Mahathir traced post-war history to relate how Malaysia and other Asian countries drew inspiration from Japan's success and achievements.

Malaysia and the other countries, he said, did not merely view Japan as a source of investment and a marketplace for their products.

"To us, Japan is more than that," he said. "Our sentiment for Japan is deep-rooted. For we were sentimentally-linked and associated with your economic revival and success."

Reminiscing on the post-war period in which he and his generation grew up, Dr Mahathir said they witnessed how Japan rebuilt its economy and how it concentrated on developing countries in Asia as its primary market.

"Malaysia was one of the developing countries," he said. "These countries were generally poor and poor countries with weak purchasing power generally do not serve as good markets."

Whether out of choice or good economic judgment, Dr Mahathir said, Japan persevered in investing in production facilities that capitalised on the comparative advantages, including low-cost production, offered by these poor countries.

"As Japan prospered into a world economic giant, these countries slowly prospered and they now serve as good markets for Japanese products."

Dr Mahathir said undoubtedly, Japanese investment, economic co-operation and assistance helped these poor countries develop their socio-economic infrastructure to achieve sound economic progress.

In return, these countries now provided Japan with markets and helped to propel and fuel the Japanese economy, he said.

"Malaysia is one of the beneficiaries of Japanese economic ventures abroad and it now enjoys massive Japanese investments and provides a

vibrant market for Japanese goods and services."

Drawing attention to the fact that the new millennium was only three years away, Dr Mahathir said the rapidly changing world economy and technological development required Malaysia to re-evaluate and reconstruct Japan-Malaysia relations in order to exploit the potentials of mutual co-operation.

Noting that Japan was Malaysia's biggest trading partner and foreign investor, he praised the country for the crucial role it played and its contributions to Malaysia's economic progress.

Dr Mahathir said he hoped that Japan would not only continue to play this role but also increase its participation in high technology and capital-intensive investments in Malaysia.

"The Multimedia Super Corridor project that we have just launched is one area where we would like to invite Japanese participation," he said.

On the outcome of the Roundtable Meeting, Dr Mahathir said Malaysia and Japan were able to compare notes on whether there was progress on bilateral issues initiated after Hashimoto's visit to Kuala Lumpur in January.

The meeting was also a testimony to fostering closer bilateral co-operation, he said.

"I earnestly hope that the mechanism for bilateral consultation that we established will continue its momentum and help achieve our objectives for progress," he said.

Dr Mahathir described Hashimoto's Kuala Lumpur visit as a "curtain raiser" that enabled the exchange of frank views that helped promote good relations.

"As a result, not only were we able to identify and single out impediments that might affect our bilateral relation," he said, "but more important, we agreed to find ways and means to address these problems".

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