

13/09/1997

## Helping the South to help itself

FROM its geography to economic development, Mongolia and Malaysia are worlds apart. Mongolia is landlocked, with no permanent crops and lacks fresh water sources. The world remembers the republic because the Khans were warriors who could more than match the feats of Alexander the Great and the ancient empires before him. Today, Mongolia is in the news for the wrong reasons. Communism, which resulted in ill-conceived urbanisation and industrialisation programmes at the expense of Mongolia's natural resources, has devastated this country. Its severe climate, scattered population and wide expanses of unproductive land have constrained economic development. Today, one-fourth of Mongolia's 2.5 million people lives in poverty and 15 per cent of them are unemployed.

So why did Prime Minister Datuk Seri Dr Mahathir Mohamad choose to visit Mongolia, bringing with him half a dozen Cabinet ministers and more than 60 businessmen? The same reasons why he visited many poor African, Asian, Latin American and Central European countries. Although Malaysia is considerably more advanced than most developing nations, its feet are planted firmly on the ground. The causes of poorer, developing and least-developed countries need to be championed. Malaysia is reaching out for opportunities where industrialised nations stay clear, fearing poor returns.

And Malaysian businessmen have learnt that it pays to tread where others fear to. They are now big players in Vietnam, Cambodia, China, South Africa, Zimbabwe, Argentina and central Europe. They have proved willing to venture into unknown territories. Of course, the Government's solid backing helps and Dr Mahathir's role as pathfinder provides added confidence. Why the country and Dr Mahathir do it is no longer a secret and Malaysia is not the only developing country pursuing an agenda that requires the South to help the South help itself.

The difference is that no other country has gone the distance that Dr Mahathir has pushed Malaysia and its businessmen to in promoting South-South cooperation. There is no personal glory in this agenda, although, people have described him as the "champion of Third World countries". There is a lot of economic gain, certainly. Trade between Malaysia and other developing countries has increased more than three-fold since Kuala Lumpur hosted the first Group of Fifteen (G-15) summit. Reverse investments by Malaysian corporations also increased tremendously. In the last few years, Malaysia's intentions to enhance ties with the South and the capabilities of its private sector became known to the Third World, and it has not stopped playing host to visits by leaders and delegations from developing countries around the globe.

Mongolia may be economically backward and no more than an infant in terms of experience as an open economy, but the nation has much to offer the brave investor. It is richly endowed with oil, coal, copper, tungsten, phosphates, tin, nickel, zinc and, yes, gold. It is also overly dependent in terms of trade with the former USSR; 75 per cent of its total trade is conducted with Moscow. Here is where Malaysian businessmen could find footholds. Mongolians require electrical items that Malaysia could provide and palm oil that the people could use to make soap and cook food. Ulaanbaatar has volunteered, in fact, to become a transit point for some of Malaysia's exports to China and Russia, given that it has rail lines connecting it to these huge markets. Mongolia could also boast of cheap

labour; Malaysia's labour-intensive industries could very well move operations there.

It will take time before both governments see positive results from this visit by Dr Mahathir, but the important thing is that we have made a start to improve ties. Once Mongolia develops economically and the people's purchasing power increases, Malaysian companies will benefit as well. This has been Malaysia's approach in its bilateral ties with other South countries. Based on past records, Mongolia-Malaysia trade and diplomatic ties are poised to improve tremendously after the visit.

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