

13 SEP 1997

Mahathir-Industry

MALAYSIA READY TO HELP DEVELOPING COUNTRIES IN INDUSTRIALISATION

By: Zulkefli Salleh

BISHKEK, Sept 13 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad has said that Malaysia is ready to work closely with developing countries to help them industrialise by sharing her experience in turning into an industrialised economy from an agricultural one.

Dr Mahathir said that the Malaysian private sector was willing to contribute in the process through joint-venture projects in these countries to enable the local people acquire manufacturing know-how and management skills.

Malaysia had learnt that one good way to industrialise was through foreign direct investments and joint ventures with foreign partners to acquire experience first before embarking on bigger projects on their own.

"When Malaysia started to transform from an agricultural to industrialised economy we had no capital, no manufacturing know-how, no market, no export experience and no management skills," he told Kyrgyz and Malaysian businessmen here last night.

Because of that, Malaysia allowed foreign direct investments in which foreigners were allowed to hold 100 per cent ownership in projects, he said at the signing of an agreement between MEC Sales and Services Sdn Bhd and Aziz Ltd for the distribution of MEC products here.

"Our only interest then was to create jobs. Our unemployment rate at that time was not as high as Kyrgyz but we think that the way to develop the economy of our country was through providing employment for everyone," he said.

The strategy resulted in Malaysia today not having enough workers for the number of jobs available and Malaysia now has 1.7 million foreign workers, said Dr Mahathir.

The Prime Minister said that Malaysians employed in wholly foreign-owned companies and eventually acquiring the know-how and learn how to stand on their own were now producing their own products once produced by foreign companies.

He cited the MEC as one good example of a company which was merely a small operation supplying foreign companies with certain components but now producing 200 types of electrical appliances under her own brand name.

Dr Mahathir said that as in the case of Kyrgyz, he has suggested to the government that instead of 100 per cent foreign ownership, it should have joint ventures and eventually increase its equity share or alternatively set up their own companies.

"I explained this because it is necessary and important to understand that you cannot suddenly leap from knowing very little about industry into an industry that is very sophisticated and capable to compete in the global market," he said.

"Even if you started as a mere dealer for Malaysian products, eventually you will progress," he said, adding that Kyrgyz has the advantage of lower labour cost and potential quality workers.

Dr Mahathir hoped his three-day working visit here will lead to more joint ventures and investments by both sides.

Dr Mahathir today visited the Tash-Kumirskiy Semi Conductor Plant and Toktogulskaya Hydro Electric Station in Osh City in southern Kyrgyz to before ending his three-day working visit.

Earlier, he paid a four-day official visit to Mongolia.

Kyrgyz, with a total area of 198, 500 sq km, is bordered by Kazakhstan

to the north, Uzbekistan to the West, Tajikstan to the south-west and China to the south and east.

It is one of the smallest and poorest states of the former Soviet Union. Its economy is heavily cultural but is endowed with abundant hydroelectric potential, significant deposits of gold and rare earth metal, locally exploitable coal, oil and natural gas. -- BERNAMA

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