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Mandela-Malaysia

SOUTH AFRICA WANTS TO LEARN FROM MALAYSIA

KUALA LUMPUR, March 7 (Bernama) -- South Africa wants to learn more about Malaysia's economic policies which have proven to be successful in overcoming the legacy of colonialism and poverty, its President, Nelson Mandela said today.

He said South Africa was keen to benefit from Malaysia's experience as it implemented its macroeconomic strategy for growth employment and redistribution.

"We adopted this strategy in order to put our economy on a new and higher growth path that would create more jobs and produce the resources for reconstruction and development," he said in a public lecture entitled +South Africa and Malaysia: A Joint Vision Towards The 21st Century+ organised by the Institute of Diplomacy and Foreign Relations, here.

He said South Africa was convinced that it had much to learn from Malaysia's experience as South Africa restructured its economy towards export-orientation, with emphasis on training and new technology.

"South Africa wants to create a climate for investment by our private sector and from outside the country and restructure the state's economic assets and empower those who were previously excluded from the world of business," he said.

Describing Malaysia as a model that advocates cooperative regional relations in the wake of the colonial era, Mandela said Malaysia had become one of the biggest sources of foreign investment in South Africa, a trend likely to be reinforced by the negotiations between South Africa's Telkom and a consortium including Telekom Malaysia.

He thanked Prime Minister Datuk Seri Dr Mahathir Mohamad for his vision and leadership that have made trade between the two countries expand even more rapidly.

Mandela, who arrived yesterday for a five-day state visit, said the signing of several agreements between the two countries this morning was a step towards expanding relations on trade, investment, cooperation and common action.

Mandela and Dr Mahathir witnessed the signing of further agreements on trade and the avoidance of double taxation at the Prime Minister's Department here.

He said South Africa and Malaysia shared many common aspirations and as both were building up links, the two countries could promote their broader endeavours to construct regional associations and linkages.

"As a latecomer, it gave South Africa the advantage of learning from Malaysia's experience and we are taking every chance to do so and that is one of the purposes of this visit," he said.

He said close links between the South Africa Development Community (SADC) and Asean could only benefit all their members.

Mandela said Asean was one of the world's top economic growth areas and the Asean-Europe meeting last year and with 400 million population, would give the members of the predominantly "southern" association a voice that could not be ignored by the world.

He said South Africa looked at Malaysia as a nation which had patiently worked with its neighbours to promote peace and a climate for growth and development.

In fact, he said, South Africa's trade with Southeast Asia doubled in the three years from 1993 to 1995.

Mandela said the SADC, with a 150 million population, was also setting out on a path towards a free trade area and this had made it an ideal destination for investment.

He hoped Malaysia and South Africa would promote the prospects for successful relations between their regions and for wider associations like the Indian Ocean Rim which is still at its infancy with many hurdles to cross.

He said the first ministerial meeting of the Indian Ocean Rim Association in Mauritius yesterday signified one more step towards bridging together countries.

Mandela added that as the world moved towards a new global economic system, it was of critical importance that the benefits of increased trade and the consequences of more open markets were not enjoyed by only some at the expense of others.

During the question-and-answer session, Mandela said South Africa could only overcome social apartheid with strong economic growth to significantly improve the living standards of the majority.

He said the government is targeting a six per cent annual economic growth by 2000, which is expected to create about 400,000 jobs per year for South Africans.

So far, the African National Congress (ANC) had been successful in increasing the annual economic growth to three per cent from a negative one per cent rate only two-and-a-half years ago, he added.

Within the same period the government had also been able to cut the inflation rate from two-digit figures to four per cent this year.

The role of the private sector was also vital to South Africa's goal to develop an export-oriented economy, he said.

Last year, the country enjoyed a US\$1 billion (RM2.5 billion) trade surplus with an import figure of US\$97 billion (RM242.5 billion) and export of US\$98 billion (RM245 billion). -- BERNAMA

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