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Dr M: Sweden keen to expand business activities in Malaysia

Joseph Bingkasan in London

SWEDEN, its confidence in the Malaysian economy still strong, will continue expanding its business activities in the country with car manufacturer Volvo showing the way.

This confidence was conveyed to Datuk Seri Dr Mahathir Mohamad during his visit to the Scandinavian country earlier this week.

The Prime Minister had met Volvo executives to discuss the company's business activities in Malaysia in the face of the economic problems in Southeast Asia.

"We wanted to know whether Volvo will expand its business in Malaysia," the Prime Minister told a Press conference in London on Monday night after meeting 10 leaders of the United Kingdom and Eire Umno Club.

"We also wanted to discuss the kind of co-operation that can be established with Volvo," he added.

Dr Mahathir said the Government was optimistic that the economic slowdown that affected other Asian countries was only a "temporary phenomenon."

While in Sweden, the Prime Minister also visited the Volvo's Autonova Car Plant in Uddevalle to view the company's new technologies in car production.

After Sweden, the Prime Minister left for London to head the Malaysian delegation at the three-day Asia-Europe Meeting which started yesterday.

Asem is made up of all 15 European Union members, seven Asean countries (Malaysia, Brunei, Indonesia, Philippines, Singapore, Thailand and Vietnam) and China, South Korea and Japan.

Asked what Malaysia hoped to achieve at the Asem summit, Dr Mahathir said it would be a forum to explain Asean's economic problems to the European countries.

On his recent statement in Kuala Lumpur that he was not optimistic that the meeting would come up with a concrete action plan, he said it was prompted by the Europe's indifference towards the problems.

"In previous meetings when we tried to explain the problems to them (European countries), they replied that it is temporary and we can overcome it.

"They also said the problems were caused by free trade which could not be stopped. But we are not prepared yet to face challenges from far developed countries in a free trade market."

Dr Mahathir said although explanations had been given, there had not been any positive response from the Europeans.

Asked what support the European countries should contribute, he said, among others, would be to review currency trading procedures.

"The problems in Asia and also South Korea were the results of currency trading," he said. "These countries are facing serious problems with millions losing their jobs and forced to flee to other countries".

Dr Mahathir said Malaysia welcomed Asem's plan to issue a separate statement on the financial problems in Asia.

"But we have yet to see the contents of the statement," he said. "We want to see the contents first before we know what it could do to solve the problems".

On his meeting with the Umno Club leaders led by chairman Kamarudin Md Shah, Dr Mahathir, who is also Umno president, said they wanted to know the latest developments in Malaysia.

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