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Dr M: Our future is in trade, not IMF

Syed Nadzri in Cairo

PRIME Minister Datuk Seri Dr Mahathir Mohamad wants more trading partners for Malaysia, saying the country's "salvation" lies in trade, not the International Monetary Fund.

He said the economic and financial "turmoil" in East Asia had caused Malaysia to be much poorer now.

"Many have advised us to seek the help of the IMF. We have not done so, not because we don't need the help, but because the conditions for such help are too onerous.

"We would lose our independence. We would rather live in poverty and rebuild our economy," he told a business forum hosted by the Federation of Egyptian Chambers of Commerce here yesterday.

The Prime Minister said Malaysians understood the situation and were prepared to face hardships in order to restore the country's economy.

"But we would need help, not in the form of aid but in increased trade. For in trade lies Malaysia's salvation."

Dr Mahathir said he saw the benefits of South-South trade despite the small economies of the countries involved.

"Together we make up quite a formidable economic power. We must be worthwhile to trade and do business with because we know the developed countries of the North have always traded with us, in fact have gone to war with each other to gain the right to trade with us.

"So, it is only logical that we in the South should seek to benefit from trading and economic interaction between ourselves."

To enhance trade, Dr Mahathir urged developing countries to step up communication among them and added that there was adequate infrastructure for trade and investments between Malaysia and Egypt.

"We see in Egypt a good partner, not just for exporting our goods but for importing some of our needs, for learning about your development experience, for co-operating in trade and industry, for joint ventures in third countries."

The forum was part of a busy itinerary for Dr Mahathir on the second day of his official visit.

Dr Mahathir also opened Perodua's main showroom at Km22 Cairo-Ismailia Desert Road. He later had a private meeting with President Hosni Mubarak.

The two leaders also witnessed the signing of two bilateral agreements - one on co-operation in science and technology and the other on religious affairs.

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