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Mahathir-South

MALAYSIA WILL PROCEED WITH SOUTH-SOUTH COOPERATION, SAYS MAHATHIR

By: Zulkefli Salleh

MAPUTO (Mozambique), July 29 (Bernama) -- Datuk Seri Dr Mahathir Mohamad today assured countries of the South that Malaysia will not let them down in terms of promised cooperation and investments despite the economic problems facing the country.

The Prime Minister, who arrived here today for a three-day official visit, said the economic problems being faced by Malaysia has not dampened her keenness to cooperate with the countries of the South.

Speaking at a state banquet hosted by President Joaquim Alberto Chissano at his residence, Dr Mahathir gave an assurance that Malaysia would resume cooperation and investments in these countries including Mozambique, once she recovers from the economic turmoil.

Dr Mahathir, accompanied by his wife Datin Seri Dr Siti Hasmah Mohamed Ali, is reciprocating President Chissano's visit to Malaysia last year. His visit is the first by a Malaysian Prime Minister to the former Portuguese colony which is trying to recover from the ravages of 16 years of liberation war.

Dr Mahathir recalled that when President Chissano visited Malaysia last year, Malaysia particularly the private sector was keen to participate and contribute in a small way in the reconstruction of Mozambique.

"The determination, expertise and experience are still there. But today they do not have the means to do so.

"We regret very much that apart from just two or three companies, the others whom you have warmly welcomed and encouraged had had the carpets pulled under their feet. In fact, even in our own country, our capacity to invest and develop have diminished," he said.

Dr Mahathir, underscoring the seriousness of the crisis facing Malaysia, told the Mozambican leader that Malaysia's sustained growth of eight per cent per annum had been decimated to a contraction of 1.8 per cent, her currency devalued by 70 per cent and her stock market capitalisation reduced by two-third.

Malaysians with investments abroad had been forced to liquidate their foreign assets in order to bring back the money to sustain their domestic operations, he said.

"But we are not about to give up. We still need to cooperate with the countries of the South. We may not be able to do much presently but we will continue to look to the day when we can once again cooperate and invest in foreign countries," he said.

Dr Mahathir said the large private sector delegation accompanying him despite problems at home was testimony to this.

He said Petronas was also keen to look into the possibilities here.

Dr Mahathir said from what had happened in East Asia it did appear that for the rich nations the development and prosperity of the countries of the South and South-South Cooperation were not welcomed.

He said the West had found a new weapon in currency manipulation to force developing countries to submit to them and a few countries in East Asia which could not resist the forces had already bowed to them.

"The process to impoverish, if not destroy, countries and put a halt to South-South Cooperation is very simple.

"Gun-boats are no longer necessary. By simply devaluing our currency, we can be forced to submit, a submission that is no different from that following conquest and colonisation," he said.

Earlier, Dr Mahathir was received at the Maputo international airport by President Chissano and later accorded an official welcoming ceremony at the airport terminal. He was given a 19-gun salute and inspected a guard of honour.

Dr Mahathir later called on the President at his office where they afterward held a delegation meeting.

Tomorrow, the Prime Minister is scheduled to be given briefing on the Maputo Corridor, an ambitious plan to make Mozambique the gateway to landlocked countries from the eastern coast in southern Africa. The corridor stretches from Maputo Port up to Walvish Bay, Namibia in south western Africa.

Mozambique, endowed with coal, titanium and natural gas is situated between South Africa and Tanzania and is separated from Madagascar by Mozambique Channel.

The former Portuguese colony of about 18 million people gained independence on June 25, 1975. About six times the size of Malaysia, it has an area of about 800,000 sq km and a coast of about 2,700km.

To-date, Southern Bank of Malaysia had set up a joint-venture bank with the Mozambican agricultural development bank with 51 per cent stake and Dr Mahathir is expected to open another joint-venture bank between Bumiputra Bank of Malaysia with a local partner during his visit here.

Dr Mahathir's entourage include Petronas Chairman and Chief Executive Officer Tan Sri Hassan Marican and representatives from YTL Corporation, Business Focus and businessmen from scores of Malaysian companies. Deputy Foreign Minister Dr Leo Michael Toyad is also in the entourage.

--BERNAMA

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