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Dr M: Big Japanese firms still investing in Malaysia

Nuraina Samad in Tokyo

DATUK Seri Dr Mahathir Mohamad arrived here yesterday for a four-day working visit, expressing hope that the regional economic downturn will have a "minimal" effect on Japanese foreign direct investment in Malaysia.

"It will be affected to a certain extent. There is no running away from that. But I hope it will be minimal," the Prime Minister told reporters at the Okura Hotel.

Dr Mahathir said the big (Japanese) companies "are still interested and still coming in" to make investments in Malaysia but added that now "a lot of big investments" were coming from the United States in the areas of petrochemicals and chemicals.

Dr Mahathir cited two American companies, Eastman and Proctor and Gamble, as among those making large-scale investments mainly in the east coast of Peninsular Malaysia.

"The trend now is different. It is not just electronics," he said, adding that Malaysia welcomed anybody but at this moment, the Americans seemed to be the ones "very keen in making very large investments" in downstream value-added activities.

Dr Mahathir, who will be addressing two major international conferences on East Asian economies and the future of Asia, was met on arrival at Narita International Airport by Malaysian Ambassador to Japan, Tan Sri H.M. Khatib.

Asked on his scheduled private meetings with Japanese businessmen, Dr Mahathir said: "Since I am here, I will talk to as many businessmen as possible."

Today, the Prime Minister will deliver a keynote address at the symposium on "Revitalisation of the Japanese economy and the future of Asia" by the Institute for International Monetary Affairs, a non-profit research institute established in 1995.

A question-and-answer session is scheduled after his presentation.

The panelists at this session are International Monetary Fund deputy managing director Stanley Fischer and Japanese Vice-Minister of Finance for International Affairs Eisuke Sakakibara.

Symposium participants comprise Ministers and top corporate leaders.

On Thursday, Dr Mahathir will speak on "Future of Asia in a Globalised and Deregulated World" at the "Future of Asia" conference organised by Nihon Keizai Shimbun Inc (Nikkei).

Japanese Prime Minister Ryutaro Hashimoto is expected to attend the conference which is aimed at increasing understanding and fostering closer ties between Japan and other East Asian nations.

It will discuss issues covering the trials and tribulations in Asean, stability of the financial systems in Asia and the advantages and disadvantages of Asian-styled corporate management.

Vietnamese Deputy Prime Minister Nguyen Cong Tan will speak on "Asean-Vietnam, Challenges and Solutions" while Myanmar Minister in the office of the Chairman of the State Peace and Development Council (SPDC) Brigadier-General David Oliver Abel will speak on "The Past, the Present and the Future".

Indonesian Foreign Minister Ali Alatas is scheduled to attend the conference. This is the second time Nikkei, which celebrates its 121st year this year, has invited Dr Mahathir to speak at its conference.

When it hosted the first "Future of Asia" conference in 1995, Nikkei

invited Dr Mahathir to address an audience comprising key figures in government and business from Asia and the US.

Nikkei has described the Prime Minister as "the representative of the Asian mind".

Both conferences will be held at the Okura Hotel where the Prime Minister and his delegation are staying.

Dr Mahathir is scheduled to depart for Kuala Lumpur on Friday.

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