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Mahathir-Business

M'SIA WILLING TO MEET NEEDS OF FOREIGN INVESTORS IN IT

KUALA LUMPUR, Sept 28 (Bernama) -- Malaysia is ever willing to listen and act to meet the multifarious needs of foreign investors with experience in the fast-moving information age industry, Prime Minister Datuk Seri Dr Mahathir Mohamad said Tuesday.

He said this was in view of Malaysia's aim to be a major player in the industry for which the Multimedia Super Corridor (MSC) was created to become a giant test-bed for the soft and hard products of the cyber age.

"As with the electronic industry, when we have no technology, capital or market, we are willing to open our country to foreign investors.

"Despite the economic turmoil, we have not slowed up on the development of the MSC, in fact, it is ahead of schedule in terms of infrastructure and even in terms of our targets for investments by world-class companies," he said.

"We aimed for 50 such corporations by 2003 but we already have 33 of them," Dr Mahathir said at the inauguration of the Malaysian-US Business Council (MUSBC) in Washington Tuesday. The text of his speech was released here.

Dr Mahathir said the MSC which Malaysia created was acknowledged by people in the industry as unique.

"The International Advisory Panel comprising successful people in multimedia business, research and development has enabled us to keep track of the latest thinking and advances in the information age and to make provision for them in terms of cyber laws, practices, infrastructure needs and policies," he said.

The prime minister also called on American businessmen to understand and appreciate Malaysia's way of doing business, saying that ultimately it was aimed at bringing about all-round prosperity, particularly to the people.

He said Malaysia had opted for selective capital controls rather than making sudden reversals or 180-degree turns in policies in efforts to bring about stability and predictability which was good for business.

"You will find doing business in Malaysia will no longer be a gamble nor will you need hedging. It should keep your costs down and make budgeting better," he said.

As such, he said, the greatest need in the world today was for understanding, where it required some restraint on the part of everyone as "unrestrained and uncalled for criticisms of others will not contribute towards understanding each other."

"It would be difficult to do business if we don't appreciate that other people may do things differently. If we do appreciate, then understanding of each other would be easy," Dr Mahathir said.

Later, at the council's luncheon talk on foreign relations, he said it was puzzling that Malaysia continued to be hammered everyday for a lack of commitment to structural reform when it had already taken actual steps for dozens of structural reforms.

"We are bombarded by unceasing advice and great intellectual discourse on the need to sell our banks to foreigners, to ensure their adequate capitalisation, to ensure the benefits in efficiency that come from having foreign banks which would introduce the state of art in banking, which can ensure productivity-enhancing competition, etc," he said.

"Do these great foreign intellectuals, these great foreign economists,

these great foreign capitalists, these great foreign journalists not know that Malaysia has a problem of excess capital and liquidity?," he added.

Dr Mahathir went on to say that Malaysian banks were already fully re-capitalised, that Malaysia already had foreign banks for years, now 13 of them, and that they owned a third of all banking assets.

"I suspect that 50 per cent of the attacks on the so-called neglect of structural reform would simply and miraculously disappear if we agreed to sell all our banks to foreigners. The other half would disappear if we gave the fullest encouragement to foreign capital to buy up the rest of productive Malaysia," he added.

The prime minister said there was no need to sell the family silver when there was not a need for cash and thus, no reason to sell Malaysian corporations at fire-sale prices, especially since the fire was put out by the selective capital controls before it got completely out of hand.

He said the single and only reason for the controls was to stabilise the ringgit and not to buttress it, and the recent attack on the Thai baht showed that it was still not safe out there.

Malaysia too did not shut the door on global economy, contrary to what was reported by the "great International Herald Tribune when the controls were imposed."

"As the 17th biggest trading nation in the world, we would be committing suicide if we were to shut the door. We are of course not very bright, but we are not that stupid. Our trade with the world has actually increased while foreign direct investment and foreign tourists are still coming in in droves," he added.

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