

12 JUNE 2000

Mahathir-R&D

MALAYSIAN COMPANIES TOLD TO GIVE EMPHASIS TO R&D

By: Mohd Ghazemy Mahmud

TOKYO, June 12 (Bernama) -- Malaysian companies should emphasise research and development (R&D) if they want to compete internationally and progress, Datuk Seri Dr Mahathir Mohamad said today.

The Prime Minister said Malaysians still lacked confidence in their own ideas, and as long as they did not free themselves from this mindset the country's R&D would be limited.

The government wished to see companies concentrate on R&D and be bold in using and trying out their own ideas, he said.

"We should not think that only what has been used by others can work well. We also have the capability but our mindset is quite frozen. If presented with a proposal to do something slightly unusual, they will straight away say they can't," he said.

He told a press conference this at the end his of week-long working visit to Japan to explore the latest technologies that can be used to boost the country's industrial development. He is scheduled to leave for home tomorrow.

Asked on government assistance to Malaysian companies, Dr Mahathir said there was a RM1 billion R&D fund.

"We have to know the extent of R&D we can undertake. If the market is small, we do it on a small scale but if the market is big we do it big," he said.

He was also asked on the overdependence of some companies on government handouts.

"Well, they are not doing much on their own except for the plantation companies. As you know, in the plantation industry we are very advanced, which explains the success of our plantation industry," he said.

"I would say that if the manufacturing industry places as much emphasis on R&D, they would achieve the same kind of result as the plantation industry," he said.

Asked if this was due to the short-term-gains mindset of Malaysians, he said that was part of the reason.

He said people should be able to think in terms of the longer period that they would be in business and look into the future.

He said Japan was in the same situation before but invested heavily in R&D after the Second World War on seeing the success of the R&D concept pioneered by Europe and America.

Dr Mahathir said there might be a need to review the school curriculum to see if the teaching of science encouraged students to make their own analyses and not just accept what was taught by the teacher.

On cooperation with big Japanese car manufacturers, he said: "We need to cooperate with these giant companies, but at the same time we have to preserve the identity of Proton and Perodua as national cars."

He said it was necessary to forge a form of cooperation with big and more developed companies so that Malaysia would not be left behind in terms of new technology.

Asked on a proposal to make hybrid-technology cars (powered by gasoline and battery), Dr Mahathir said Malaysia had been working on it for two-and-a-half years at its facilities in Lotus and also at another private company in England because it was a Malaysian idea.

"But we see that Japan already has this idea, and they do it their way and we have our own way."

During his trip, Dr Mahathir visited the Mazak factory in Nagoya which

makes computerised machine tools.

He also toured the Matsushita technical research centre, the Mitsubishi headquarters and also the Toyota research and development centre near here.

At the Toyota facility, he tested several latest models of Toyota cars, including the hybrid Prius.

Dr Mahathir said Malaysia wanted to explore the latest technologies available in Japan.

Malaysia was actively involved in manufacturing components and was keen to reduce the import content in such products, he said.

He suggested that Malaysian companies venture into the food packaging industry and look at Japan where this industry was quite developed.

He was also asked what message he had for Japanese companies now that the Malaysian economy had recovered.

Dr Mahathir said: "I think because of their high cost they should move some of their costly production facilities to Malaysia once again."

He said: "Those that went to Malaysia have always done very well. So perhaps this should begin the second round of their shifting of certain of their industries to Malaysia."

He said Japan wanted to create jobs as there was unemployment here but in order to be competitive it may be necessary for them to go to low-cost countries like Malaysia

He also said Japan had offered more loan facilities to Malaysia.

-- BERNAMA

GM YBY