

We must find a niche as China is too strong, says Prime Minister

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PETALING JAYA, Thurs. — It would be best for Malaysia to piggy-back on China's economic growth and find a niche as it would not be able to compete with China in many ways, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said China was going to be a great economic and world power especially after it joined the World Trade Organisation in the near future.

China has 1.3 billion people who were hardworking and skilled, and who accepted low wages as the cost of living there was still low.

"We have to find a niche for ourselves. This is why we are frantically trying to promote the Multimedia Super Corridor because we think we can have a slight edge there," he said.

Malaysians were generally well-educated and spoke English, both advantages in the information and communication technology industry.

Dr Mahathir was taking questions from the floor after addressing a luncheon forum organised by the Oxford and Cambridge Society of Malaysia.

FBN Minerals Sdn Bhd chairman Dr Foo Ban Nyen had asked him how Malaysia planned to face the competition from China.

Dr Mahathir said China would be a huge market and it was for Malaysians to watch the trends and decide on the areas to venture into.

"We don't think we are going to suffer too much," he said, adding that the Malaysian Chinese could act as a bridge between the two countries.

Asked by Falcon Press Sdn Bhd director David Forman about Malaysia's Look East Policy, Dr Mahathir said the country still looked to Japan, not only as a model but also as an example of what not to do.

He said Japan had got into trou-

ble when it itself Looked East — to the United States — and adopted a work culture alien to its people, for instance, when it abandoned the lifetime employment concept.

Earlier, in his speech which focused on the capitalist system, Dr Mahathir said he hoped that the world would accept a plurality of ideas as there was nothing that must be resolved in just one way.

He said Malaysia would continue sticking its neck out even if it risked having it chopped off. "We will stand up for what is right," he said.

The world, he said, has been through many changes but not always for the better.

Tracing political developments from feudalism to a republic to a socialist/communist system, he said each time, the change came about because people were not happy.

But each time, the changes failed to bring about an ideal world.

He said it took 70 years for communism to collapse and when it did, the capitalist system became dominant. And where capitalists once showed its best face, its ugly side has now emerged.

Dr Mahathir said capitalists aimed only for profits and cared nothing for people or countries.

Taking currency trading as an example, he said the traders have destroyed the Asian tigers and caused much misery.

They had caused Malaysia to lose US\$300 billion (RM1,14 trillion) in market capitalisation and through the devaluation of the ringgit, yet they made a profit only of US\$5 billion.

"It is criminal," he said.

Yet, he said the world insisted that only the capitalist system was acceptable.

He predicted that in 50 years, people would look back and say that the system was flawed.

"But at what cost?" he asked.