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Dr M: Focus on foreign investment

ullah in Kampala, Uganda

PRIME Minister Datuk Seri Dr Mahathir Mohamad said the Smart Partnership International Dialogue, held since 1995, has helped change the attitude of governments of participating countries towards foreign investments.

Speaking to Malaysian journalists after his address at the dialogue on Monday night, he said the governments now realised the need for co-operation between the private and public sectors.

"The only people that they seem to be unable to work with is the Press.

"They are now focusing specially on foreign direct investment ... something that is very new to them.

"We are very familiar with FDI because we have had it since achieving independence but you will be surprised to know that most countries do not want to have FDI.

"Many of these countries upon achieving independence, nationalised foreign holdings and this frightened off foreign investors," he said, adding that these countries then actually regressed in terms of development.

Asked on the future of smart partnership, he said:

"There are many problems ahead of us.

"The World Trade Organisation is one thing.

"If we go there fragmented and divided into small states, we are not going to influence the shape of WTO or globalisation.

"And we know that the present concept of globalisation is completely confined to free movement of capital which is not very good for the developing countries."

On the tangibility of the dialogue, the Prime Minister said:

"In terms of tangibility, if we want to see something physical, we cannot expect to see in such a short space of time of six years.

"Changing the mind-set is a very difficult thing to achieve ... they are talking about a smart relationship between the government and private sector. I think that is much more important than any single physical thing that you may see."

"But I must admit that as a result of the willingness to accept foreign participation, a lot of Malaysians have been able to invest and participate in the economies of these countries.

"Petronas is very active in many countries such as Sudan and now in Uganda you have the Malaysian Business Centre which is importing Malaysian goods."

Dr Mahathir said at this point in time, Malaysia wanted to export goods to non-traditional markets because of the saturation in traditional markets.

"So these are very physical things ... of course, sometimes investing in developing countries in Africa is not easy ... sometimes they want us to participate, to build a power plant ... but the opposition in the country has negative attitude so the projects cannot take off."

Asked whether Africa has become more united since subscribing to the smart partnership concept, Dr Mahathir said: "Those who are participating in this grouping seems to be very united, but of course they have their differences.

"They understand the value of acting together and have indicated that they want to take collective action in the WTO."

On his proposal to have a world tax, Dr Mahathir said there would be

tremendous resistance to the proposal especially from the rich countries.

"Their media refuses to mention one bit about it.

"Indeed, their media is so adverse to Malaysia that they describe this dialogue as having been participated by so many countries but refused to mention Malaysia at all.

"There's a BBC report which says Taiwan is participating," Dr Mahathir said, referring to a BBC report on Sunday describing the dialogue as a conference of heads of State from seven African nations on foreign investment in the region.

"Well if they can, they would want to shut up these Malaysians.

"Get the media to come ... well, African media is not owned by Africans, usually owned by somebody else and have to play to the tune of these owners and the owners are usually not friendly with the government.

"That is why yesterday (South Africa President Thabo Mbeki) said their own media was antagonistic to their own government and they will be antagonistic towards any government.

"They will always support the opposition ... once the opposition becomes the government, they will support the (other) opposition."

Dr Mahathir held two bilateral meetings on Monday at the Speke Resort Monyonyo on the sidelines of the dialogue.

The first was with the Vice-President of Zimbabwe Joseph Msika and the second was a 25-minute meeting with the President of Sudan General Omar Al-Bashir.

Dr Mahathir and his wife Datuk Seri Dr Siti Hasmah Mohd Ali departed for Kuala Lumpur after the final dinner yesterday evening.