

No non-tariff barriers, says PM

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KUALA LUMPUR: Prime Minister Datuk Seri Dr Mahathir Mohamad said Malaysia will not introduce non-tariff barriers for its automotive industry in 2005 when it must comply with market opening measures under the Asean Free Trade Area (Afta) for the sector.

Refuting talk that such trade barriers would be introduced, he said: "It is (just) talk. It is the kind of talk that people will tell. We have no such ideas in mind."

Dr Mahathir was fielding questions at a news conference after his keynote address at the 35th International General Meeting of the Pacific Basin Economic Council here.

Dr Mahathir said Malaysia was committed to the Afta and would honour its commitment.

However, he said, countries should be allowed to "relook" at the agreement if they believed there had been a mistake.

"We should not be afraid to admit that sometimes when we made agreements, we made a mistake and we need to re-examine the agreements so we can strive for a much better understanding between us," he said.

He also said information technology and the willingness of young Malaysians to learn would help the country keep pace with other developed countries.

He said the country had been trying to carve a niche in information technology and the results so far had been good.

Dr Mahathir added that the younger generation had shown that they were easily adaptable to the technology.

"They have no mind blocks and can absorb knowledge, new cultures and systems more easily. They can come up with ideas which will spell results for themselves and the country."

Asked about the threat of China to countries in the region, Dr Mahathir said countries in the Asia Pacific region should accept that China was going to be an economic superpower and find ways of dealing with it.

He said admitting defeat by saying "it is a black hole. so let's cover it up and prevent anything more from going into the hole" was not going to help anyone.

In Malaysia, he said the

Government realised that big though China is, the country could not produce everything.

"We believed there would be things that China just cannot do. It has a population of 1.3 billion people; although it is an age of paperless society, we find the need for paper is tremendous. They need lots of paper from somewhere.

"Similarly, they cannot grow all the palm oil they need. So we sell lots of palm oil to China," he said.

Dr Mahathir said a wealthier China was beneficial for everyone.

He said more and more Chinese were travelling overseas as they became more prosperous.

"The growth of Chinese tourists in Malaysia has been phenomenal. From zero a few years ago, we have more than

400,000 Chinese tourists coming to Malaysia. They have money to spend and they want to spend it not only in China but other countries," he said.

At the same time, Dr Mahathir said, China was already beginning to invest in other countries.

"They have the technology and they are willing to share it. They will enhance our capacity to produce things that will be good for the world as well as China," he said.

Commenting on free trade agreements signed between individual Asian and developed countries, like the agreement between Singapore and the United States, Dr Mahathir said Malaysia was monitoring the development.

"We are watching what it is all about. Obviously Singapore cannot take advantage of its

membership of Asean in order to benefit from it working together with the US or New Zealand or whatever.

"We feel that countries should belong to a natural group. East Asia yes, South-East Asia yes. But once you keep on leaping to all kinds of groupings, it becomes confusing and maybe non-productive," he said.

Dr Mahathir said Malaysia supported the implementation of a common currency among Asian countries but believed it would take some time before it could be implemented.

"That is a good idea. But you must remember it took Europe 50 years before they finally came out with a common currency. We are even more different from each other than the European countries are," he said.