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PM confident Japan will pull through

Cheah Chor Sooi

PUTRAJAYA, Thurs. - Prime Minister Datuk Seri Dr Mahathir Mohamad tonight expressed hope that Japan would be able to overcome its decade-long economic decline in due course.

He said Malaysia was concerned with the pace of Japan's economic recovery, but added that it was aware of efforts by the Government of Prime Minister Junichiro Koizumi to see Japan through the problem.

"We know of Your Excellency's determination to implement the economic structural reforms aimed at revitalising the economy.

"We hope your plan will succeed given the longer time you will get to see it through," he said at the official dinner in honour of Koizumi at Seri Perdana.

Dr Mahathir said Malaysia had always regarded Japan as an active partner in the economic development of Malaysia and was confident it would remain so.

"Japanese investors have continued to contribute to the development of our manufacturing industry.

"Japanese technology has facilitated our industrial development and Japanese institutions of higher learning have assisted in the training of our human resources.

"Japan's financial assistance has also allowed us to proceed with our financial development particularly during the 1997 crisis," he said, calling on Japan to remain Malaysia's active and reliable partner in development.

In terms of foreign direct investment, Japan continues to be an important source for Malaysia.

Between January and October last year, a total of 134 projects with capital investments of RM3.05 billion were approved, of which Japan remains Malaysia's second biggest foreign investor after the United States.

As for trade, Japan is also Malaysia's second most important trading partner, accounting for about 17 per cent of Malaysia's global trade.

Last year, 21 per cent of Malaysia's import came from Japan, compared with Malaysia's 13 per cent of export to Japan.

"However, the involvement of Japanese companies in Malaysia's Multimedia Super Corridor has been somewhat limited. We hope the level of investments will improve," Dr Mahathir said, allaying fears that the cordial relationship between both countries would be affected because Malaysia is a Muslim nation.

"We hope more Malaysian products could find greater access into the Japanese market.

"We are told that Japanese tourists fear coming to Malaysia because it is a Muslim country.

"We have been a Muslim country since independence and Japanese businessmen and tourists have been coming here.

"We have not changed one bit. There is no ground for this fear. The Japanese Press which is familiar with Malaysia should clear this misunderstanding".

On global issues, Dr Mahathir said Malaysia believed there would be no guarantee of future acts of terrorism even if the Taliban were wiped out.

"The only way is to examine the root causes and remove them," he said, noting that there was also a dire need to resolve the Palestinian issue to

prevent other from taking the law into their own hands.

"World opinion must be brought to bear on this issue if we are serious about ending terrorism".

In the area of education and training, Dr Mahathir also called on Japan to provide more concessions and places for Malaysian students and trainees in Japanese universities and technical institutions in the future.

news@nstp.com.my

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