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Find ways to tap huge Chinese market: PM

Kamarul Yunus

SOUTH-EAST Asian nations should not regard China as a "black hole" that sucks foreign investment away from its neighbours, Prime Minister Datuk Seri Dr Mahathir Mohamad said.

"We should not constrain ourselves with the fear that China is a black hole whereby everything which goes there will disappear.

"This is not true. It (money) goes there but also comes out as can be seen from more Chinese tourists visiting Malaysia," he said at a dialogue in conjunction with the 35th International General Meeting of Pacific Basin Economic Council (PBEC) in Kuala Lumpur yesterday.

Dr Mahathir was asked about suggestions that China is a "black hole" which sucks investments away from South-East Asian Nations.

To a question on his suggestions such as exporting palm oil to China, Dr Mahathir said the orthodox method of dealing with China is to contain China, surround it with battleships, prevent it from developing as well as stop capital flow into that country.

"There is no way we can banish or erase China. It is there. We must accept that China has decided to join and compete. We must find ways to work with China.

"Admitting defeat now by saying that it is a black hole... is not going to get us anywhere. We want to live with the fact that there is a China and it is going to be a very prosperous, very big and economically powerful China," Dr Mahathir said.

He said South-East Asian nations should seek new ways to tap China's sprawling market of 1.3 billion people.

For example, since the Chinese are increasingly well off, more of them are travelling to Malaysia as tourists.

He also noted that China has started investing in other countries, bringing along high technologies with them.

"They have better technologies. This will enhance our capacity to produce things which are good for the world and China," he said.

On a common Association of South-East Asian Nations (Asean) currency, Dr Mahathir said this will do "a lot of good" to the region but it needs careful study before implementation.

"It is a good idea but we must remember that Europe took 50 years before they finally came around with the common currency (the euro).

"In fact, not all European countries are accepting the common currency," he said.

He admitted that adopting a common currency is not an easy task, especially for Asean where countries are more different from each other compared with the European countries.

"The best thing for us to do is to watch and study the European experience to see whether we can adopt a common currency. But it will do us a lot of good," he said.

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