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MAHATHIR-TARIFF

MALAYSIA NOT HAPPY WITH HEFTY TARIFF ON STEEL IMPORTS

KUALA LUMPUR, March 7 (Bernama) -- Expressing unhappiness over the recent high tariff hike on the import of steel into the United States, the Prime Minister today said other countries who felt the same should band together in retaliation.

"Of course we are not happy with this tariff," Dr Mahathir said during a dialogue session at the Asia Economic Summit here.

Noting that Europe and Japan shared the same feeling over the tariff, he said: "If we are not happy, we have to do something about it because alone we can't do anything."

"But together we can do something," added Mahathir who is also Finance Minister.

The US is imposing tariffs of up to 30 percent for three years on a wide range of steel imports.

The move has triggered global protests with some intending to file complaints with the World Trade Organisation (WTO) over the violation of free trade rules.

The tariff, seen to be a US protectionist measure against steel imports, has been criticised as being clearly driven by its domestic political agenda.

Acknowledging the fact that countries are sometimes pressured to "protect the interest of their own people", Dr Mahathir said similarly Malaysia would like to impose tariffs in certain products under the Asean Free Trade Area.

"Its a question of give and take. If you protect too much, your (market) access to other countries may face problems," he added.

To a question, Dr Mahathir said Malaysia believed in an open economy as it could not depend entirely on domestic consumption for economic growth.

He said Malaysia adopted the Asian model whereby for economic prosperity, external trade, foreign investment and investment overseas were needed.

"We grow because of foreign direct investments. We don't believe in isolation," said the Prime Minister.

Moving to the issue of a free market and deregulation, he said a free for all environment would cause disruption and create a situation of anarchy.

"A society without regulation will become an anarchy society," he added. -- BERNAMA

MAD KTC