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MAHATHIR-TRADE

M'SIA NEEDS TO FIND NEW MARKETS, CAN'T RELY ON SINGLE MAJOR PARTNER

By: Mohd Fisol Jaafar

ZURICH, June 10 (Bernama) - Malaysia needs to find new markets and cannot depend entirely on a single trading partner, said Datuk Seri Dr Mahathir Mohamad.

The prime minister said the economic crisis faced by the United States last year, which was further aggravated by the Sept 11 terrorist attacks on the World Trade Centre in New York and the Pentagon in Washington, had taught Malaysia the importance of not being too dependent on a single market.

"When the U.S. economy faced a downturn last year, Malaysia's economy was affected because 30 percent of our trade was with that country," he said at a meeting with the Malaysian community here yesterday.

The reception was organised by the Malaysian Swiss Association in conjunction with the prime minister's three-day official visit, his first, to Switzerland beginning Sunday.

Although the Malaysian economy had recovered from the 1997-1998 financial crisis to chart a growth of six and 8.4 percent in 1999 and 2000 respectively, Dr Mahathir said it only grew by 0.4 percent in 2001 due to the slowdown in the U.S. economy.

As such, the prime minister said Malaysia cannot continue to depend solely on the U.S. to avoid the recurrence of last year's economic slowdown.

However, he explained that Malaysia did not intend to reduce its trading volume with the U.S. but only in terms of trimming the percentage of the total trade volume with the Americans by seeking new markets.

The prime minister, who arrived here from Naples, Italy, said the quest to seek new markets was important for a trading nation like Malaysia.

On that note, Dr Mahathir hoped that he could attract more investors to Malaysia to ensure that its economy fully recovered.

He called on Malaysians living abroad, including those in Switzerland, to encourage foreigners to forge trade relations with Malaysia.

"We all know that Switzerland is a major financial centre. We do not want to borrow their money because we have enough of our own with our savings now in excess of 38 percent of GDP (Gross Domestic Product).

"What we really require is that the foreigners trade with us. They can benefit from their businesses with us and we can gain something from that as well," he said.

After the reception, the prime minister attended a private working dinner with Swiss banking major, UBS AG. -- BERNAMA

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