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Malaysia keen to diversify market

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MALAYSIA is trying to diversify its market so that it is not dependent on any one country, which can prove disastrous in troubled times, Prime Minister Datuk Seri Dr Mahathir Mohamad said in Zurich.

He cited as an example the effects of the US economic downturn in the aftermath of the Sept 11 attacks on the Malaysian economy.

"If we are too dependent on one market, and if that market suffers a downturn, we will also suffer in time," he said.

"Recently, when the US market went into a tailspin, exacerbated by the Sept 11 attacks ... we also suffered," he told a gathering of Malaysians at the Dolder Grand Hotel last evening.

Dr Mahathir said although Malaysia had recovered from the 1997-98 financial crisis with growth of six per cent in 1999 and eight per cent in 2000, it barely grew (0.4 per cent) last year because of the US economic problem.

"Our intention now is to find and develop new markets," he said, pointing out that US was now Malaysia's "30 per cent partner in trade".

Dr Mahathir said Malaysia did not want to reduce the size of trade, but just the percentage.

The Prime Minister said that Malaysia was a trading nation "much more so than other trading nations", given that its trade volume is 200 per cent of the country's gross domestic product.

He said by comparison, the US trade volume was 17 per cent of its GDP.

"Of course, in absolute terms, they are larger than us but in terms of percentage we are bigger.

"We are dependent much more on trade than most countries; we are truly a trading nation and as a trading nation, we can only survive if we can find a market for what we produce all the time," he said.

He hoped that he could help Malaysia's economic recovery by persuading people to do business in Malaysia.

He also expressed the hope that Switzerland, as a financial capital, would "bring their money to Malaysia".

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