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Mahathir-Japan

MALAYSIA CONCERNED OVER JAPAN'S SLOW ECONOMIC RECOVERY - MAHATHIR

PUTRAJAYA, Jan 10 (Bernama) -- Malaysia today expressed concern over the sluggish economic recovery of Japan.

Prime Minister Datuk Seri Dr Mahathir Mohamad said although Japan was taking steps to boost its economy, results had been hard to come by so far.

Speaking at a dinner he hosted in honour of visiting Japanese Prime Minister Junichiro Koizumi at his residence here tonight, Dr Mahathir said:

"We know Your Excellency's determination to implement the economic structural reforms aimed at revitalising the economy, and hope your plan will succeed given the longer time that you will get to see it through."

Koizumi arrived here today for a one-day visit on the second leg of his tour of five Asean nations.

Dr Mahathir said Malaysia always regarded Japan to be an active partner in its economic development and was confident that it would remain so.

He said Japanese investors had continued to contribute to the development of Malaysia's manufacturing industries.

Japanese technology, he said, had facilitated Malaysia's industrial development, while Japanese's institutions of higher learning had assisted in training the country's human resources .

"Japan financial assistance had allowed us to proceed with our financial development, particularly during the crisis of 1997. Malaysia throughly appreciates your country's contribution, and hope Japan will continue to be an active and reliable partner in development," he said.

Dr Mahathir, who is also Finance Minister, said that in terms of foreign direct investment, Japan continued to be an important source for Malaysia.

For the period Jan-Oct 2001, a total 134 projects with capital investments of RM3.05 billion were approved, while Japan remained as the second biggest foreign investor after the United States.

"However, the involvement of Japanese companies in the Multimedia Super Corridor (MSC), the country's R & D hub of IT, has been somewhat limited. We hope the level of investments will improve," said Dr Mahathir.

As for trading, Dr Mahathir said Japan was also Malaysia's second most important trading partner, accounting for about 17 percent of Malaysia's global trade.

Last year 21 percent of Malaysia's import came from Japan, and 13 percent of Malaysia's export went to Japan, he said.

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

On another matter, Dr Mahathir said Malaysia was told that Japanese tourists feared coming to Malaysia because it was 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," he said.

He also called on the Japanese press, which is familiar with Malaysia, to clear this misunderstanding.

Dr Mahathir said that in 1982, Malaysia adopted a Look East policy as part of its development strategy because the country was convinced that Japan's phenomenal rise as an industrialised nation was due in part to work ethics and values adopted by the Japanese work force.

Eager to emulate Japan's success, Malaysia decided to send students to Japan, and since then 13,000 Malaysian have obtained their tertiary education there.

"We trust that Japan would be ready to provide more concession and places for our students in Japanese universities and technical institutions in the future," he said.

The Prime Minister said the aftermath of the Sept 11 terrorists attack on U.S had international communities grappling with how to stop such attacks.

"Malaysia believes that even if we wipe out the Taliban, there is no guarantee that there will be no future acts of terrorism. The only way is to examine the root causes and remove them," he said.

Dr Mahathir said the Palestinian issue must be resolved if the world intended to stop others from taking the law into their own hands and deciding to terrorise the world.

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

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