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Mahathir-Power

SAUDI ARABIA IS WELL POSITIONED TO EMERGE AS WORLD POWER

From Zulkefli Salleh

RIYADH, Oct 19 (Bernama) -- Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad today said that Saudi Arabia is capable of emerging as a world power, which Muslim nations are in dire need of one, by fully developing its oil riches and other resources.

"Saudi Arabia is well positioned to becoming an industrial and financial power if it choses to do so and is helped by Muslims worldwide," Dr Mahathir said at a seminar on "The Future Vision on the Saudi Economy" here.

However, Dr Mahathir said this desire to have a Muslim country as a world power was not because Muslims wanted to embark on world conquest but it was simply to ensure that Muslims and their countries were not oppressed as they were being today.

Delivering a keynote address at the seminar, Dr Mahathir shared his vision and Malaysia's experience in developing its economy, on how Saudi Arabia could emerge as a great industrial and financial power.

He noted that already at the moment, based on his calculations on the oil price of US\$20 a barrel, Saudi Arabia could earn US\$200 million a day and US\$73 billion per year from her oil exports of 10 million barrels a day.

Dr Mahathir said he was told that at the present rate of production the known reserves would last 200 years.

He suggested that Saudi Arabia instead of just exporting crude oil, embark on a major power generation by using oil and selling electrical power and the income from which would cushion the vagaries oil prices.

The kingdom should also cash in on its low priced oil to build and own power plants all over the world which could be generated by its own oil transported either through pipelines or shipped to any part of the world, said Dr Mahathir.

"At least it could go into joint-venture with the countries it supplies power to. The attraction would be the constant supply of low-priced oil to the power plants," he said.

Sharing the experience of Malaysian oil company Petronas's venture abroad, the Prime Minister suggested that Saudi Arabia should go into retailing of oil products.

He said the world's great retailers of oil products did not have oil resources at home any more and they went out to look for oil all over the world and today they dominated the world's oil supply.

Besides that, Dr Mahathir also envisaged Saudi Arabia as an exporter of desalinated water in this region through investment in desalination and becoming strong in industries whih were energy intensive like aluminum smelting.

He said Malaysia's strategy for industrialisation could be used by Saudi Arabia by taking advantage of fuel cost rather than labour cost.

Dr Mahathir said Saudi Arabia which has shown the world its capability in the field of science has the capacity to emerge strong in IT if it sets about producing the required trained human resources.

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