

Give Local Investors Incentives To Drive Local Economy, Says Dr M
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KUALA LUMPUR -- Local investors should be given incentives to drive the economy as Malaysia cannot wait for foreign investors with other countries offering cheaper labour, says former Prime Minister, Dr Mahathir Mohamad.

In this respect, he said there are Malaysians today with capability and they have displayed this in taking their companies outside the country, to as far as the United Kingdom and Canada.

Speaking at an Executive Lecture organised by hypermarket chain, Tesco here on Saturday, he referred to other countries such as Korea and Japan, that did not rely on foreign investors but were able to bring in technology from abroad and improve on it to develop their own products.

"Among the small and medium enterprises (SMEs), there is a need to learn to be more competitive and build up capacity, to be able to produce in large quantity according to market demand.

"Other measures to boost Malaysia's competitiveness, should come from the government which should get together with the private sector, to know what problems businessmen faced," he added.

Mahathir also emphasised that there should be a business friendly policy which amongst others, includes reducing bureaucratic procedures for the approval of licences to attract foreign investors.

In respect of the retailing industry, he said Malaysia can learn from foreign investors who have been successful in setting up retail chains in the country.

He also said he was initially sceptical over foreign investors who entered the retail market and could "kill off" the smaller businesses set up in the sector.

"But over the years, they have been able to bring benefits to the industry by marketing local products as well and in bringing innovation to it.

"Eventually, because of the need to modernise Malaysia's retail industry, we allowed foreign retailers like Tesco to enter our market," he added.

He said while it is important to liberalise and open up the market to foreign investors, it has to be done gradually and provide support for local infant industries time to grow.

The Executive Lecture spearheaded by Tesco Malaysia saw more than 250 people attending. The participants were predominantly SME suppliers and business partners of Tesco Malaysia.

(Bernama)