

**SPEECH BY
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AT THE LAUNCH OF PANASONIC COMM-X 2000
AT PUTRA WORLD TRADE CENTRE
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1. Firstly, allow me to thank National Panasonic (M) Sdn. Bhd. for inviting me to officiate at the opening of the Panasonic Communication and Multimedia Exposition 2000, or in short, Comm-x 2000. My congratulations go out to Mr. Bunroku Morioka and his staff for organising this exposition which i believe is in line with the government's intention of fostering a more information and technology conscious society.

2. Much has already been said about the digital age propelled by information and communication technologies. It is increasingly becoming a clich, to suggest that the way we learn, conduct business and, even, run government administration will be affected dramatically by the technological changes that are unfolding every day.

3. I have repeatedly said that Malaysia must be able to manage this transition effectively. By this I mean Malaysians must learn, master and create technologies that will benefit our society and work for our people. The first thing we must realise is that Malaysia cannot afford to stay out of the digital revolution. We cannot be mere bystanders or spectators to the changes that are afoot.

4. The stark reality is that Malaysia is far behind the developed countries and even some of our neighbours in implementing the transformation from a purely production economy into a knowledge based economy. We still lack broad - based access to the internet; there are many areas in our country where telephony development is still inadequate; there is a significant disparity of pc owners and internet users in the rural and urban areas; and perhaps most significantly, we lag behind in research and development in new technologies.

5. What does this all mean for Malaysia? It means that greater efforts are needed from the public and private sector to ensure that Malaysia keeps abreast of the technological changes taking place, and, more importantly, that we are able to harness the benefits that these new inventions and developments bring.

Ladies and gentlemen,

6. New technologies represent a chicken and egg situation. The public at large can initially be indifferent or even suspicious of new technologies. This prevents the wide usage and thus appreciation of these new applications. Without a critical mass of users, the commercial viability of these technologies is affected thus preventing further research into improving these applications. Without a critical mass of users, the technology can never become relevant and people will ask why we needed it in the first place.

7. Unless we cultivate a culture of exploring and migrating to new technologies, Malaysian society as a whole will not move from the status quo to a k-society. To be part of a knowledge based society is, by definition, to be knowledge-seeking, inquisitive and willing to experiment with different applications. To build a successful

knowledge economy we must not restrict ourselves to making token gestures towards becoming more "e". A Malaysian company that constructs a static home page that merely displays phone number details is not close to interactive and networked world of e-commerce. A government department that advertises email addresses and does not reply to inquiries, or hosts a web site that is not updated in one year let alone one week must acculturate its staff to treat these new mediums with as much urgency as traditional mediums such as telephone or by post.

8. My point is very simple: if there is limited or no public consciousness over the benefits of embracing new technologies, then there will be no acceptance of these applications. Of course, it is not easy for companies, government departments and even community organisations that have been managed in more or less the same way thus far to adapt to a more instant, rapid and constantly interactive interface. But if there is no societal impetus to accept, learn and apply all forms of new technologies, our national economic competitiveness will, in the long run suffer.

9. More and more economic activity is infused with technology. Company supply chains are managed by technology. Data storage is managed by technology. Customer interface is managed by technology. And this is happening in a multitude of sectors, from retail to wholesale to banking to commodity trading. Even strictly physical production sectors are being significantly transformed by technology as witnessed by the increasing use of automation and robotisation in assembly lines.

10. If Malaysians are unable to use these technologies, our economy will lose its competitive edge. We have started to lose our wage based competitiveness as other countries in the region are able to offer cheaper labour. We will therefore have to look for other sources of competitiveness. To do this we do not need to abandon our economic model. We must modify it. We must put more K into p. That is more knowledge based activity into our largely production based economy. So, with the example of losing out to countries that are offering lower labour costs, Malaysia can retain our competitiveness by moving our labour force up the value- added chain by ensuring that they are adept at using the latest technologies. Our ability to adapt to new technological change can be enhanced if there exists a culture of acceptance and usage of new innovations.

11. Furthermore, the rate of obsolescence in technological development, in which the latest application may only has a shelf life of months, makes the imperative to keep pace with technological change crucial. As a developing country that is at the nascent stage of technological usage and development, we must acknowledge that what we learn today may already be yesterday's breakthrough in the more advanced economies. Therefore, our propensity to learn must be heightened. We must also view learning not in static terms, but as a dynamic process. Our workers must view on-the-job training as a valuable part of life-long learning to familiarise themselves with new skills and the latest technology. Technological change will compel us to learn, learn and learn again - even in some cases unlearn obsolete skills. In a successful knowledge economy, the constant need to acquire knowledge will become a fundamental axiom. This must be Malaysia's guiding principle in our quest to create a k-society.

Ladies and gentlemen,

12. Apart from learning and familiarising ourselves with new technologies, I hope that the stirrings of public consciousness about technology will encourage research

and development into this field. For Malaysia's future k-economy to be sustainable we must do more than just learn to use technologies that have been conceptualised and developed in other countries. We must do the thinking and creation ourselves.

13. Thus, in addition to encouraging a culture of accepting, learning and using technology, I believe that Malaysians must be imbued with an ethos of innovation and invention. Mere mastery of new technology may serve the short-term purpose of Malaysia keeping up with other countries that are committed towards the transition to becoming K-economies. But for Malaysia to create an empire of the mind - a K-economy that is internationally competitive and a global trend setter - we need to nurture in our population the Edisons and Graham Bells of tomorrow. Our own companies must aspire to become technology pioneers, like Panasonic. To replicate good inventions is easy, but to invent and create - that is the challenge.

14. Without being able to innovate for ourselves, without being able to develop new technologies for ourselves we will be ever dependent on ideas and applications that originate elsewhere. Our participation in the so-called new economy will merely be one of user and consumer. We must change this. It is time that Malaysia becomes more than just a factory site or assembly line. It is time for Malaysia to move up the scale of production. It is time for Malaysia to be the research lab and the experimental ground for groundbreaking discoveries.

15. While Comm-x 2000 aims to highlight integrated solutions for business and communications, it will also be showcasing various other cutting edge applications and hi-tech multimedia and communications equipment. I hope that besides displaying the marvelous products that have been developed by National Panasonic, this exposition will be able to spark the fire of creativity, innovation and invention in all Malaysians who come to visit.

16. I hope that Comm-x 2000 will be able to contextualise the latest technology developments for the general public. Exhibitions such as this serve a key purpose to inform and educate the public of new innovation, thereby contributing to public acceptance and understanding of the Malaysian government's technology efforts from the msc to the k-economy.

17. Finally, allow me to thank Mr Bunroku Morioka and the people at national Panasonic once again for organising Comm-x 2000. Thank you for your efforts in helping to open up Malaysian minds to technology and the new economy. With this it gives me great pleasure to launch the Panasonic Communication and Multimedia Exposition 2000.

Thank you.