

Prof Zawawi on need to transform economy

KUCHING, Wed.- Malaysia will never be a fully developed nation if its economy is not transformed from one that is totally dependent on commodities and other people's technology and know-how to that based on competitiveness and indigenous innovations.

Vice Chancellor for Unimas, Professor Dato' Zawawi Ismail in elaborating on this point today had used the example of Korea's automobile industry when many predicted it would not survive the global shakeout in 1992.

"But in 1994, Korea became the world's fifth biggest auto producer," he said, adding that it would be a good subject to study on how the country grew so fast technologically and emerged as a world class auto producing country.

He is happy to note that the automobile industry has been one area of interest at the Faculty of Economics and Business.

"There has been some interesting work and consultancy done by the Faculty on the industry," he said.

According to him, there are other areas associated with the industry that can be of interest to scholars, especially on its management, workers and labour relation issues.

"I am glad that our Faculty of Social Sciences too has taken an interest on union issues," he said.

He added, Korea's success in the automobile industry is largely due to the government's role in facilitating the development of technological capability, through various mechanisms that regulate technology flow and transfer, and encourages technological learning and Research and Development (R&D) efforts.

"I believe in a similar approach for Malaysia. Our R&D resource is obviously limited. Our annual total R&D expenditure is probably even less than what is spent by a large multinational," he said.

He said, Proton's future success like those achieved by Korea's Hyundai or Kia, must surely be based upon a trajectory that defines a commit-

ment to building indigenous technological capability.

"That capability must include not only the ability to acquire, assimilate, use and adapt technology, but also the ability to innovate and develop new ideas, in response to both market and technology environment and trends," he added.

Professor Zawawi also stressed on the importance of advance technology like Information Technology (IT) which could bring many changes in the manufacturing processes.

He said, robotic technology plays a big role in the automotive industry to meet the demand for precision and higher throughput.

The Vice Chancellor was presenting a talk at the workshop 'The Automobile Shakeout: Implications of the Financial Crisis for the Industry, Workers, and Unions in Southeast Asia'.

The workshop was declared open by Assistant Minister of Industrial Development Encik Sim Kheng Hui who was representing the minister. Datuk Abang Johari Tun Abang Haji Openg.

About 50 participants comprising union leaders, academicians, government representatives, employers' federations' representatives from as far as Thailand, the Philippines, Indonesia and Vietnam attended the workshop.

Among them are the Chief Executive Officer of Proton, Tengku Datuk Mahaleel Tengku Arif and the Head of Office for Friedrich-Ebert-Stiftung (FES), Singapore, Norbert von Hofmann.

A total of seven working papers will be tabled during the workshop organised by Unimas, Friedrich-Ebert-Stiftung (FES) and International Metalworkers' Federation (FES) which covers five sessions.

Among the objectives of the workshop are to examine the impact of the financial crisis on Southeast Asia, develop strategies to revive the industry, develop solutions for the protection of workers' interest, propose alternatives to retrenchment and share common information. - BP



Sim (left) receiving a souvenir from Vice Chancellor of Unimas, Professor Dato' Zawawi Ismail.