

## Across the Causeways

● EXCERPTS of editorial comment  
from the **Straits Times**, Malaysia.

**P**LANS for making Kuala Lumpur's rubber market the world's largest are taking Tunku Razaleigh Hamzah, the chairman of Pernas, to London next week, in no doubt of the problems but alive to the rewards.

The Government has never made any secret of its intentions, which became clear when no headway was made by the Association of Natural Rubber Producing Countries in the formation of its proposed regional markets.

Tun Tan Siew Sin's address the other day to trade commissioners and commercial attaches disclosed incidentally the result of the Malaysian Government's successful buffer stock operation, its holdings disposed of for a \$5 million profit, a dramatic footnote to his main theme—the rationality of the largest natural rubber producing country having the largest rubber market.

The Finance Minister's views of an official buffer stockpile probably do not coincide with those of the manufacturing industry abroad but this was an enlightening illustration of the manner in which the producer, particularly the smallholder, can suffer from market speculation.



Complaints of speculation and manipulation in the rubber market are, of course, of long standing.

This week's meetings in London of the International Rubber Association and the International Rubber Study Group provide an opportunity for the further promotion of the Malaysian plan.

The value of terminal markets in London and New York cannot be lightly dismissed, and the need for co-operation with Singapore when the separate Malaysian Exchange and Licensing Board is set up in September is recognised.

But the market reform on which Malaysia is engaged will be radical and far reaching (June 5).