

# Mahathir pledges change over business permits

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By OUR REPORTERS

**DATUK** Seri Dr Mahathir Mohamad, noting that the bureaucratic manner in which industrial and business licences and permits are issued hinders the country's economic progress, has pledged to make changes in line with the National Front's recent election manifesto.

The Deputy Prime Minister and the Minister of Trade and Industry also expressed deep concern over the unsatisfactory progress of bumiputra participation in commerce and industry, saying that far too many of those who have been given every possible help by the government have failed.

Replying to *Business Times*' questionnaire, Dr Mahathir said the mistakes in as far as trade and industry are concerned centred on the lack of direct communication between the political policy-makers and the administrative implementors.

"The implementors are not involved in policy making and are thus not able to understand the real objectives or the approaches and thinking of the policy-makers. The implementors are left to interpret as well as they can a 'one-line decision'

which sums up several hours or days or even months of debate."

To overcome this, the Deputy Prime Minister said, he will explain the full meaning of the decision and give guidance as to how it should be implemented.

"Apart from this, there has been mistakes in the system of administration. Far too many authorities and agencies are involved in the issuance of licences and permits. The whole set-up and process will be revised and corrective measures will be taken," Dr Mahathir said.

small group of influential people are merely assuming that this is the case. In actual fact, the government's assistance for bumiputras is spread far and wide.

"In the Third Malaysia Plan, for the first time, hawkers and petty traders have a special allocation of \$30 million. In any year, tens of thousands of bumiputra traders and businessmen from every state get government help."

However, the help must be commensurate with the business. It would be as useless, Dr Mahathir said, to give a

tial. The personality and background of the man must influence the decision to give him the loan.

"If he doesn't get the loan than it is because he is not able to influence the decision in his favour — that is, he is not influential," Dr Mahathir said.

Elaborating on the failure of many bumiputra businessmen, the Deputy Prime Minister said the situation needs to be coldly assessed. "The facts must be faced by the government and the bumiputras themselves. Some plain talking is needed here."

On job-hopping by bumiputra executives, Dr Mahathir said it can only be limited by mutual understanding and cooperation among the firms themselves. "It is important to remember that your gain today is somebody else's loss, but tomorrow somebody else's gain might be your loss."

On investment, the Deputy Prime Minister said that the government is monitoring its trend both at home and abroad and will switch emphasis when necessary.

Malaysia, he said, cannot insulate itself from worldwide economic forces. "Hence, if investments in major countries are sluggish, investments in Malaysia too would be sluggish."

To overcome this problem, new areas of investments are being opened up for foreign and local firms. They include the construction and management of toll roads and bridges by private enterprise, the setting up of more free trade zones near international airports and the encouragement of processing of local raw materials.

"While investment in manufacturing may not meet the target (of the TMP), that in construction is likely to increase and compensate for the shortfall. The indications are that while the manufacturing sector targets may not be achieved, the total target for all kinds of investments will," Dr Mahathir said.

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He noted that most businessmen who seriously wish to set up industries in Malaysia have not been put off by the Industrial Coordination Act, especially after directives have been given to apply it in a flexible way.

"However, there is a need to counteract politicians who would like to make an issue of the ICA for reasons other than business," the Deputy Prime Minister added.

Dr Mahathir said those who say that the benefits of the government's bumiputra policy are being monopolised by a

million dollar loan to a hawker as to give a \$1,000 loan to a bumiputra partner in a multi-million dollar manufacturing company.

Just as obvious, he added, is the fact that only a few would need a million dollar loan. Hence it appears that only a few people are benefitting from the bumiputra policy.

"As to those people being influential, it is also to be expected. Any person who gets a million dollar loan, whether bumiputra or non-bumiputra, must be influen-