

MAHATHIR-NEP

FROM REJAL ARBEE

82
NEW YORK, OCT. 1 (BERNAMA)--PRIME MINISTER DATUK SERI DR MAHATHIR MOHAMAD TOLD AMERICAN BUSINESSMEN HERE THAT MALAYSIA HAS EXPERIENCED GREATER STABILITY AND FASTER ECONOMIC GROWTH SINCE LAUNCHING THE NEW ECONOMIC POLICY (NEP) IN 1970.

HE SAID POLITICAL STABILITY WAS NOW THE BEST EXPERIENCED WHILE THE RATE OF GROWTH HAD SINCE THEN BEEN HIGHER THAN THAT PRIOR TO THE IMPLEMENTATION OF THE NEP.

LATELY, HOWEVER, THE COUNTRY'S GROWTH HAD SUFFERED SOMEWHAT DUE TO THE WORLDWIDE RECESSION AND GROWTH THIS YEAR WAS EXPECTED TO BE ONLY AROUND 4-1/2 PER CENT AGAINST AN ANNUAL GROWTH OF EIGHT PER CENT PREVIOUSLY.

IN AN INFORMAL LUNCHEON TALK TO ABOUT 30 LEADERS OF VARIOUS AMERICAN BUSINESSES AT THE PLAZA HOTEL HERE YESTERDAY, HE SAID MALAYSIA HAD IN FACT PROVEN THE PROPHETS OF DOOM WRONG WHEN IT SHOWED EVEN BETTER GROWTH RATES AFTER THE MAY 13 TROUBLES IN 1969.

HE SAID THAT IN KUALA LUMPUR ALONE, MORE THAN TWO THIRDS OF THE DEVELOPMENT OF NEW HIGH RISE BUILDINGS ACCURRED AFTER 1969.

--MORE 1045/HM

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THIS SHOWED THAT THE RIOTS HAD NOT LEFT ANY DAMAGING EFFECT ON THE POLITICS OR THE ECONOMY OF THE COUNTRY BUT HAD MADE THE PEOPLE REALISE THE IMPORTANCE OF ADAPTING THEMSELVES TO A SITUATION WHERE THERE WAS ECONOMIC DISPARITIES BETWEEN THE RACES AND THAT THE GOVERNMENT WAS DOING SOMETHING TO CLOSE THAT GAP.

THE PRIME MINISTER SPOKE OF THE EFFORTS BEING CARRIED OUT BY THE GOVERNMENT TO OVERCOME THE DISPARITIES BETWEEN THE RACES IN TERMS OF PROSPERITY WHILE AT THE SAME TIME TRYING TO ERADICATE OVERALL POVERTY IRRESPECTIVE OF RACE.

HE EXPLAINED HOW THE DISPARITIES BETWEEN THE RACES WAS BROUGHT ABOUT BY THE BRITISH COLONIAL POWER AND SAID THAT THE DISPARITY WAS NOT ONLY IN WEALTH BUT ALSO IN PHYSICAL SEPARATION BETWEEN THE RACES.

SO THERE WAS READY INGREDIENTS OF RACIAL ANTAGONISM IN MALAYSIA.

FOLLOWING THE RIOTS, THE GOVERNMENT HAD DEVISED A NEW POLICY TO OVERCOME ITS RECURRENCE AND SO IT LAUNCHED THE NEP WITH THE AIM OF CREATING A SOCIETY WHERE THE PEOPLE WERE MORE EQUITABLE.--MORE 1052/HM

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THE GOVERNMENT HAD GIVEN ITSELF 20 YEARS TILL 1990 TO REACH THE TARGET OF 30 PER CENT BUMIPUTERA PARTICIPATION IN THE COUNTRY'S ECONOMY. HE SAID THAT IN CERTAIN CORPORATE SECTORS LIKE BANKING, PLANTATION AND MINING, THE 30 PER CENT BUMIPUTERA PARTICIPATION HAD BEEN ACHIEVED, BUT THERE HAD NOT BEEN MUCH IMPROVEMENT IN THE OTHER SECTORS.

HE SAID THE TARGET OF 30 PER CENT BUMIPUTERA PARTICIPATION WAS BASED ON AN OVERALL FIGURE WHICH WOULD MEAN THAT FOR CERTAIN BUSINESSES BUMIPUTERA PARTICIPATION COULD BE MORE THAN 30 PER CENT WHILE IN OTHERS IT COULD BE LESS.

ASKED ABOUT THE LOOK EAST POLICY, DATUK SERI DR MAHATHIR SAID IT WAS MAINLY TO LEARN WHAT MADE THE JAPANESE AND THE KOREANS SO SUCCESSFUL.

ASKED BY ONE OF THE AMERICAN BUSINESSMEN WHETHER MALAYSIA PLANNED TO INVEST IN THE UNITED STATES, DATUK SERI DR MAHATHIR SAID: YES, IF WE HAVE THE SPARE CASH. AT THE MOMENT THE CENTRAL BANK IS RATHER FINICKY ABOUT THIS AS IT DOES NOT LIKE TOO MUCH MONEY TO FLOW OUT.

+WE MAY LIKE TO BUY A FEW AMERICAN COMPANIES, BUT YOU HAVE SUCH RIGID LAWS HERE THAT IT MAY NOT BE EASY FOR US. WE BOUGHT OVER A BRITISH COMPANY RECENTLY AND YOU KNOW HOW MUCH TROUBLE WE HAD WITH THE BRITISH. -- MORE 1058/HM

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+SINCE WE WANT TO REMAIN FRIENDLY WITH THE UNITED STATES, I THINK WE SHOULD NOT THINK ABOUT BUYING A US COMPANY. NOT AT THE MOMENT,+ HE SAID.

ALSO PRESENT AT THE LUNCHEON WAS MINISTER OF TRADE AND INDUSTRY TENGKU AHMAD RITHAUDDEEN.--BERNAMA 1100/HM