

CORRECTION:

IN ITEM NO. 36 PARA ONE PLEASE READ AS : ABOUT 32 YEARS
REPEAT YEARS.....

-- BERNAMA 1152/OM

ZCZC NO42 (F/S)

15/07/1983

MAHATHIR-INTERVIEW (POLICIES)

NEW POLICIES OF THE GOVERNMENT.

Q. IT LOOKS AS ^{83 (B) Mahathir Mahad} IF SOME OF YOUR NEW POLICIES AND INITIATIVES HAVE BEEN MISUNDERSTOOD BY SOME GOVERNMENT OFFICIALS AND EVEN AMONG THE MINISTERS, NOT TO MENTION THE GENERAL PUBLIC. DOES THIS MEAN THAT THESE POLICIES WERE NOT DISCUSSED IN DETAIL FOR EXAMPLE AT THE GOVERNMENT AND CABINET LEVELS?

A. OF COURSE WE HAVE DISCUSSED THEM. BUT NO AMOUNT OF BRIEFING CAN COVER ALL THE DETAILS. SOME DETAILS MIGHT NOT BE UNDERSTOOD BY CERTAIN PEOPLE IF THEY THEMSELVES HAVE NOT EXPERIENCED THE PROBLEM. FOR EXAMPLE I HAVE EXPLAINED IN DETAIL THE CONCEPT OF MALAYSIA INCORPORATED OVER TV AND MANY PEOPLE VIEWED THE PROGRAMME AND LISTENED TO THE EXPLANATION. BUT WHEN I TALKED TO THOSE WHO VIEWED IT, I FOUND THAT THEY HAD NOT FULLY UNDERSTOOD THE CONCEPT. THERE IS NOTHING ODD ABOUT IT EVEN IF THE PERSON IS A MINISTER, FOR EVERY POLICY HAS ITS IMPLICATIONS AND OBJECTIVES WHICH NEED DETAILED EXPLANATION. IT IS EASY TO EXPRESS OUR THOUGHTS IN ONE SLOGAN, FOR EXAMPLE WE SAY '+LOOK EAST+'. IF WE MERELY SAY '+LOOK EAST+' AND OTHER PROBLEMS MIGHT CROP UP IN BETWEEN AND WE HAVE TO EXPLAIN THEM AGAIN. SO THE PROCESS OF EXPLAINING THE CONCEPT MUST CONTINUE ALL THE TIME UNTIL WE ARE SURE THAT IT IS FULLY UNDERSTOOD BY THE PEOPLE IN DETAIL.

--MORE 1205/PA

GENERALLY, ALL OF US UNDERSTAND THAT LOOK EAST MEANS LOOK TO JAPAN AND SOUTH KOREA. BUT WHAT ARE THE THINGS THAT WE WANT TO LOOK? FOR EXAMPLE, ARE WE GOING TO LOOK AT THE PRACTICE OF HARAKIRI AMONG THE JAPANESE PEOPLE? OF COURSE WE ARE NOT INTERESTED IN THAT. ON THE OTHER HAND, WE ARE INTERESTED IN THE WAY THEY WORK. WHEN WE SAY WORK ETHICS, WE WANT TO KNOW THE WAYS AND SOME OF THEM MIGHT NOT BE SUITABLE FOR US. THE DEEPER WE GO INTO THE PROBLEM THE MORE WE UNDERSTAND THE POLICY. EVEN I MYSELF, WHO SUGGESTED THE POLICY, AT TIMES DO NOT NOTICE CERTAIN ASPECTS WHICH DID NOT COME TO MY MIND AT THE BEGINNING. AND WHEN POINTED OUT TO ME, I HAVE TO THINK AND DISCUSS IT AGAIN. IN OTHER WORLDS, I HAVE TO GO THROUGH THE DETAILS FROM TIME TO TIME.

Q. CAN YOU TELL US THE PROCESS BEFORE AN INITIATIVE IS MADE? ARE THE NEW POLICIES BASED SOLELY ON YOUR THOUGHTS?

A. PERHAPS THE INSPIRATION COMES FROM MY THOUGHTS AND VIEWS. BUT THE POLICIES NEED THE AGREEMENT AND ACCEPTANCE OF MY CABINET COLLEAGUES. AT TIMES FROM MY COLLEAGUES IN THE PARTY AS WELL. ONLY THEN I WOULD ANNOUNCE A POLICY. BUT AFTER THIS THERE MIGHT BE PROBLEMS TO BE EXPLAINED. THIS GIVES THE PICTURE AS IF THERE WAS NO DETAILED DISCUSSIONS BEFORE ANNOUNCEMENT. BUT HOWEVER DEEP WE STUDY A MATTER, THERE IS ALWAYS A CHANCE THAT WE MIGHT MISS A POINT OR TWO, OTHERS WHO ARE NOT INVOLVED IN THE DISCUSSION MIGHT ON THE OTHER HAND SEE SOME PROBLEMS WHICH NEED TO BE STUDIED.

--MORE 1211/PA

MAHATHIR-INTERVIEW (POLICIES) 3

Q. ONE OF THE EARLIEST DIRECTIVES YOU ISSUED AFTER TAKING OVER THE LEADERSHIP OF THE GOVERNMENT WAS PROHIBITING THE MINISTERS, MENTERIS BESAR AND EXCO MEMBERS FROM INVOLVEMENT IN BUSINESS. BUT RECENTLY WHEN SPEAKING AT A GATHERING AT SUNGAI PETANI, YOU REPEATED THE CALL IN SOMEWHAT STRONGER TERMS. DO YOU FEEL IT WAS NECESSARY TO DO SO?

A. I GOT INFORMATION THAT SOME OF THEM HAVE NOT ADHERED TO MY DIRECTIVE. THAT WAS WHY I HAD TO STRESS ON IT AGAIN. THIS WAS FOLLOWED BY A CIRCULAR TO ALL EXCO MEMBERS REMINDING THEM TO GIVE UP THEIR BUSINESS ACTIVITIES BEFORE I TAKE STRICTER ACTION.

Q. WAS THERE A CIRCULAR BEFORE THIS?

A. THERE WAS. BUT AT TIMES OUR PEOPLE LIKE TO DELAY THINGS.

Q. AT WHAT LEVEL DOES THIS DELAY OCCUR -- AMONG THE MINISTERS, DEPUTY MINISTERS OR MBS?

A. AS FAR AS I KNOW, THERE IS NONE IN THE FEDERAL CABINET. BUT AT THE EXCO LEVEL, THESE THINGS SOMETIMES OCCUR.

--MORE 1216/PA

ZCZC N045 (F/S)
MAHATHIR-INTERVIEW (POLICIES) 4

CORRUPTION

Q. IN THE LAST INTERVIEW, WE HAVE DISCUSSED CORRUPTION. ALTHOUGH THE GOVERNMENT CONTINUES TO MAKE EFFORTS TO ELIMINATE OR CONTAIN CORRUPTION, THE NUMBER OF OFFENDERS BROUGHT TO COURT HAS DECREASED AND CONFINED TO PEOPLE WHO STILL COULD BE CONSIDERED AS +SMALL FRY+. SO ARE YOU SATISFIED WITH THE SUCCESS IN COMBATING CORRUPTION?

A. I AM NEVER SATISFIED. BUT I HAVE TO ACCEPT THE FACT THAT WE CANNOT PROSECUTE A PERSON WITHOUT SUFFICIENT EVIDENCE. A LOT OF ALLEGATIONS WERE MADE ESPECIALLY AGAINST PEOPLE IN HIGH PLACES. IT'S SO NICE TO RUIN THEM. WE DONT FEEL SATISFIED BECAUSE WE CANNOT +PULL THEM DOWN.+ SO WE MAKE ALL SORTS OF ALLEGATIONS. RECENTLY WE READ IN THE NEWSPAPERS ABOUT CORRUPTION HERE AND THERE AND EACH TIME WE SEE SUCH ALLEGATIONS WE CARRY OUT INVESTIGATIONS. BUT THERE WAS NO EVIDENCE. IF THEY CAN PROVIDE SUFFICIENT EVIDENCE WE CAN TAKE ACTION. BUT IT IS NOT FAIR TO BRING A PERSON TO COURT WITHOUT EVIDENCE JUST BECAUSE HE IS A BIG SHOT AND WE WANT A BIG FISH WITHOUT CARING WHETHER THE ALLEGATIONS ARE TRUE OR FALSE. MAY BE WE LOSE THE CASE BUT THE FACT IS WE HAVE CAUSED HARDSHIP TO AN INNOCENT MAN. IF WE HAVE SUFFICIENT EVIDENCE, WE WILL CERTAINLY TAKE ACTION. THIS IS THE PROBLEM. THE COURT, AS YOU KNOW, CANNOT ACCEPT A CASE MERELY BASED ON ALLEGATIONS. IT NEEDS SUFFICIENT AND CONCRETE EVIDENCE TO CONVICT A PERSON. THIS TYPE OF EVIDENCE IS HARD TO COME BY AT TIMES. BUT IN CASES WHERE WE ARE AWARE OF THE OFFENCE BUT DO NOT HAVE SUFFICIENT EVIDENCE TO PROSECUTE THE OFFENDER, WE ASK HIM TO RESIGN.--MORE 1224/PA

THIS HAS HAPPENED IN THE PAST.

PUBLIC DEBT AND INVESTMENT

Q. DATUK, IT CAN BE SAID THAT FROM 1975 TO 80 MALAYSIA HAD EXPERIENCED EASY GROWTH. AT THAT TIME WE DID NOT FACE MAJOR PROBLEMS IN PUBLIC DEBT, DEBT SERVICING, OVER EXPANSION ON PUBLIC INVESTMENT AND PUBLIC EXPENDITURE. BUT THIS YEAR'S WORLD BANK REPORT SAYS THAT FROM NOW ON MALAYSIA IS LIKELY TO ENCOUNTER MANY MAJOR PROBLEMS. IF I AM NOT MISTAKEN, THE REPORT SAYS THE RATIO OF DEBT SERVICING TO EXPORT FOR EXAMPLE IS 20 PER CENT. EVEN IF YOU REVERSE THIS TREND IT WILL TAKE A VERY LONG TIME TO DO SO, JUST AS IT TAKES A VERY LONG TIME TO STOP A TANKER. SOME TANKERS, I UNDERSTAND WILL MOVE FOR ANOTHER THREE MILES BEFORE STOPPING AFTER ITS ENGINE HAD BEEN STOPPED. WHAT IS YOUR OPINION ABOUT THIS WITH REGARD TO PUBLIC FINANCE, WHICH IS IN VERY WEAK POSITION?

A. WE HAVE ALWAYS PRACTISED CONSERVATIVE MONEY MANAGEMENT. IN THE PAST WE HAVE NOT BORROWED MUCH, THEREFORE THE SERVICING RATIO WAS VERY GOOD. HOWEVER, THE PROBLEM ALWAYS ARISES WHEN YOU ARE IN A TIGHT SPOT. IT IS WHEN YOU DONT HAVE MONEY THAT YOU WANT TO BORROW. AND WHEN YOU BORROW AT A TIME WHEN YOU GO DOWN AND THE DEBT GOES UP THEN THE RATIO GOES UP MUCH FASTER BECAUSE OF THE POOR EARNINGS. SO BECAUSE OF THIS THE FIGURE THAT YOU GIVE IS NOT VERY GOOD, VERY GLOOMY INFACIT. BUT WHAT IS IMPORTANT IS THAT WE MUST BE MORE CAREFUL AND CAUTIOUS IN OUR FINANCIAL MANAGEMENT. I AM CONFIDENT THAT WITH THE NECESSARY ACTIONS TAKEN BY THE GOVERNMENT, WE WILL BE ABLE TO CONTROL OUR DEBT TO A LIMIT THAT WE CAN SERVICE. -- MORE 1207/0M

ZCZC NO47:

MAHATHIR-INTERVIEW (POLICIES) 6

AT PRESENT THE RATIO MAY NOT BE GOOD BECAUSE THE DEBT HAD INCREASED WHILE THE EARNINGS DROPPED. BUT IF THE DEBT IS MAINTAINED AT THAT LEVEL AND OUR EARNINGS INCREASE THE RATIO WILL AUTOMATICALLY IMPROVE AND IF ON REACHING THAT LEVEL WE REDUCE OUR BORROWINGS THE DEBT SERVICING RATIO WOULD IMPROVE FURTHER. SO WHAT WE HOPE FOR IS THAT THE RECOVERY BEING EXPERIENCED NOW WOULD CONTINUE. IF THIS HAPPENS, WE WILL BE ABLE TO SELL OUR TIN, RUBBER, PALM OIL, COCOA AND OTHER COMMODITIES IN LARGER QUANTITIES AND THIS WOULD IMPROVE THE RATIO. AND IF WE GET MORE REVENUE FROM EXPORTS OUR NEEDS TO BORROW MONEY WILL REDUCE AND THIS WILL FURTHER IMPROVE THE RATIO. THE PROBLEM WE ARE FACING NOW IS THE RESULT OF MEETING THE PEOPLE'S EXPECTATIONS. THEY ARE SO USED TO PROSPERITY IN THE PAST, THAT THEY CANNOT ACCEPT THE FACT THAT WE ARE NOW FACING PROBLEMS. AT TIMES WE HAVE TO ENTERTAIN THEIR WISHES EVEN IF TO A CERTAIN POINT. THIS FORCES US TO INCREASE OUR BORROWINGS TO A LEVEL MUCH HIGHER THAN THAT AT THE TIME WHEN WE HAVE MONEY BEFORE. SECONDLY, WE HAVE TO PRACTISE WHAT IS CALLED ANTI-CYCLICAL INVESTMENT -- THAT IS -- WE INVEST AT A TIME OF RECESSION WITH THE HOPE THAT THE PROJECTS MATURE WHEN RECOVERY TAKES PLACE. IF THIS HAPPENS THE RECOVERY WILL BE FASTER. ON THE OTHER HAND, IF WE DO NOT INVEST IN TIME OF RECESSION, THE RECOVERY WILL NOT BENEFIT US BECAUSE WE HAVE NOTHING TO SELL OR TO USE TO INCREASE OUR EARNINGS. SO, ANTI-CYCLICAL INVESTMENT MUST BE PRACTISED. THAT IS WHY WE HAVE TO BORROW DURING RECESSION. DESPITE THIS WE HAVE POSTPONED MANY PROJECTS, FOR EXAMPLE IN GOVERNMENT EXPENDITURE, DEFENCE AND VARIOUS OTHER FIELDS. -- MORE 1215/OM

MAHATHIR - INTERVIEW (POLICIES) 7

THIS IS ONE OF THE WAYS TO REDUCE EXPENDITURE. WE HAVE POSTPONED INVESTMENTS AND EXPENDITURE WHICH DO NOT BRING REVENUE. EXPENDITURE WHICH WILL RESULT IN REVENUE TO THE NATION SHOULD BE CONTINUED. THAT IS WHY THE CALL FOR THE GOVERNMENT NOT TO INVEST IN HICOM CANNOT BE ACCEPTED. IF WE DO NOT INVEST WHEN THE PRICES OF THINGS ARE DOWN, WE WILL HAVE TO PAY MORE AND PROBABLY BORROW MORE WHEN RECOVERY TAKES PLACE. APART FROM THIS, WE WILL NOT BENEFIT ANYTHING FROM ECONOMIC RECOVERY.

Q. HOW BAD IS THE PRESENT SITUATION DATUK? I HEARD THAT A FEW STATES (FIVE OR SIX) HAVE TO APPROACH THE FEDERAL TREASURY EVERY MONTH EVEN FOR SALARIES OF THE STAFF.

A. I AM NOT AWARE OF THIS. ALL THAT I KNOW IS THAT THERE ARE SUFFICIENT ALLOCATIONS FOR SALARIES. THE PROBLEM IS WITH DEVELOPMENT SPENDING WHERE WE DO NOT HAVE ADEQUATE ALLOCATIONS. -- MORE

MAHATHIR INTERVIEW (POLICIES) 8

Q: IS THE GOVERNMENT CONSIDERING TRIMMING FURTHER ITS SPENDING OR REVIEWING SOME OF ITS PROJECTS? THERE HAS BEEN TALK THAT WORK ON THE MELAKA REFINERY, FOR EXAMPLE, COULD BE DELAYED BECAUSE OF REDUCED EARNINGS.

A: WE ARE STILL STUDYING THE (PROPOSED) MELAKA REFINERY (PROJECT). THE MAJOR EXPENDITURE FOR THE REFINERY WILL ONLY BE REQUIRED IN 1986. THE INITIAL EXPENDITURE IS VERY SMALL. WE HAVE NOT MADE A (FINAL) DECISION, BUT THE CHANCES ARE WE'LL DELAY THE PROJECT.

PRIVATISATION

Q: IS IT POSSIBLE THAT IN THE LAST FEW YEARS THERE HAS BEEN A DISEQUILIBRIUM IN TERMS OF OVEREXPANSION IN THE PUBLIC SECTOR? IS THERE NOT THE NECESSITY TO REDUCE THE PUBLIC SECTOR ALLOTMENT-- WHICH IS UNDERESTIMATED BECAUSE WE DON'T INCLUDE HICOM, PETRONAS, MAS, AND THE MISC -- TO REVERSE THE TREND? AND WHERE DOES PRIVATISATION COME INTO THIS? WHAT IS THE RATIONALE FOR THE ENTIRE PRIVATISATION IDEA?

A: I THINK IT MAY HELP TO UNDERSTAND THE BUDGET FOR THE VARIOUS MALAYSIA PLANS. FOR EXAMPLE, THE ALLOCATION FOR KEDAH UNDER THE SECOND MALAYSIA PLAN WAS \$98 MILLION. BUT UNDER THE THIRD MALAYSIA PLAN THE ALLOCATION WAS \$1.2 BILLION. THIS WAS INCREASED TO \$1.6 BILLION DURING THE MID-TERM REVIEW WHICH MEANS THAT THERE WAS A 1,600 PER CENT INCREASE IN ALLOCATION FOR DEVELOPMENT FOR THE STATE OF KEDAH . OF COURSE THIS IS SLIGHTLY OUT OF PROPORTION AS NOT ALL STATES HAVE THAT AMOUNT OF MONEY. -- MORE 1656/OM

BUT YOU CAN SEE HOW STEEP IS THE RISE IN THE DEVELOPMENT EXPENDITURE AND NATURALLY THAT KIND OF INCREASE INVOLVES THE GOVERNMENT IN A VERY RAPID RISE IN BORROWING AND DEBT SERVICING. AS SOON AS THE LOANS MATURE WE NEED TO PAY. AND YOUR INCOME ON THE OTHER HAND DOES NOT RISE AT THE RATE OF 1,600 PER CENT. IT RISES BY 10 TO 12 PER CENT OR 14 PER CENT A YEAR. SO THERE IS A DIVERGENCE, A VERY RAPID DIVERGENCE. SO IN THE FOURTH MALAYSIA PLAN THE AMOUNT IS INCREASED ALTHOUGH THE INCREASE IS NOT AS SUBSTANTIAL AS BETWEEN THE SECOND AND THIRD PLANS. BUT IF WE COMPARE THE SECOND AND FOURTH PLANS, IT IS DISTINCTLY GREAT. SO THIS VERY RAPID RISE IN DEVELOPMENT EXPENDITURE HAS A VERY BAD EFFECT ON DEBT SERVICING BECAUSE DEVELOPMENT IS ALMOST ENTIRELY BASED ON LOANS. ON THE OTHER HAND, THE PEOPLE HAVE GOTTEN USED TO THIS KIND OF INFLATED GOVERNMENT EXPENDITURE. FINALLY THE GOVERNMENT WANTS TO STIMULATE THE ECONOMY BY AN EXPANSIONARY TYPE OF BUDGETING. OBVIOUSLY WE CANNOT SUSTAIN THIS KIND OF LOANS. WE NEED THE ROADS, WE NEED THE RAILWAYS, WE NEED THE HARBOURS, WE NEED THE AIRPORTS. SO WE CAN DO ONE OF TWO THINGS. WE CAN SAY 'WELL WE WILL STOP EVERYTHING IN ORDER TO BRING DOWN THE RATE OF DEVELOPMENT TO WHAT WE WERE USED TO UNDER THE SECOND MALAYSIA PLAN' BUT THEN THE COUNTRY WILL NOT BE DEVELOPED AND WE WILL LOSE THE KIND OF MULTIPLIER EFFECT THAT THIS INFRASTRUCTURE IS SUPPOSED TO BRING. CONSEQUENTLY THE IDEA NOW IS TO PASS ON TO THE PRIVATE SECTOR THAT WHICH IT IS QUITE CAPABLE OF HANDLING. THE REASON WHY WE DIDN'T DO THIS BEFORE WAS BECAUSE OF THE NEW ECONOMIC POLICY. THERE WERE NOT ENOUGH BUMIPUTERA AGENCIES OR BUMIPUTERA COMPANIES THAT CAN PARTICIPATE. SO ANY PRIVATISATION BEFORE WOULD HAVE BEEN NON-BUMIPUTERA ENTIRELY AND THIS WOULD HAVE BEEN RESENTED. -- MORE 1719/00
NNNN

ZCZC N084 (F/S)
MAHATHIR-INTERVIEW (POLICIES) 10

BUT NOW WE HAVE LARGE BUMIPUTERA COMPANIES THE PNB WHICH OWNS GUTHRIE, BIME DARBY, BARLOW, BOUSTEAD. EVEN INDIVIDUAL BUMIPUTERAS ARE NOW ABLE TO PARTICIPATE IN THE PRIVATISATION PROGRAMME. THEREFORE WE ARE NOW THINKING THAT SOME OF THOSE (SERVICES) THAT HAVE BEEN DONE BY THE GOVERNMENT COULD VERY WELL BE PASSED ON TO THE PRIVATE SECTOR. WE CAN LET THE PRIVATE SECTOR BUILD THE PORT AND RUN IT. AS I HAVE SAID MANY TIMES, IF THEY MAKE MONEY WE'LL GET 40 PER CENT. SO WHY SHOULD WE GRUDGE THEM? THEY RUN THE RISK, BUT THE GOVERNMENT HAS 40 PER CENT SHARE WITHOUT PUTTING IN MONEY. SURELY THAT IS A MUCH BETTER THING. THE ONLY REASON WHY IT COULD NOT BE DONE BEFORE IS THAT THERE WERE NOT ENOUGH MALAYSIAN COMPANIES AND CERTAINLY NOT ENOUGH BUMIPUTERA PARTICIPATION. PRIVATISATION BEFORE WOULD HAVE BEEN FOR FOREIGN COMPANIES, BUT NOW WE HAVE A LOT OF MALAYSIAN COMPANIES.

Q: DATUK, ARE YOU CONFIDENT THAT THE PRIVATE MALAYSIAN COMPANIES YOU TALK ABOUT HAVE THE CAPITAL FOR MASSIVE INVESTMENT IN ROADS, PORTS, RAILWAYS AND THE LIKE? DO THEY HAVE THAT KIND OF MONEY AND ARE THEY WILLING TO TAKE THAT KIND OF RISKS GIVEN THE VERY LONG GESTATION PERIOD.

A: WELL, IN SOME CASES, I FEEL QUITE CONFIDENT THAT THEY ARE, IN THE CASE OF ROADS, FOR EXAMPLE, YOU CANNOT EARN SUFFICIENT EVEN TO MAINTAIN A ROAD BY COLLECTING TOLL. THE TOLL WE COLLECT IN THIS COUNTRY IS FANTASTICALLY LOW. IT IS ABOUT ONE-TENTH OF WHAT IS COLLECTED IN JAPAN AND JAPAN HAS GOT THE VOLUME OF TRAFFIC.
-- MORE 1733/0D

MAHATHIR INTERVIEW (POLICIES) 11

NO PRIVATE SECTOR WILL WANT TO INVEST IN ROAD BUILDING BUT THERE IS EVIDENCE THAT PORT FACILITIES, FOR EXAMPLE, CAN BE HIRED OFF TO THE PRIVATE SECTOR WITH PARTICIPATION NOT ONLY OF LOCAL BUT ALSO FOREIGN ELEMENTS. WE CAN ALLOW UP TO 30 PER CENT OF FOREIGN PARTICIPATION IN THESE SECTORS PARTLY BECAUSE IT MEANS A NET IN THE FLOW OF CURRENCY AND TECHNOLOGICAL AND MANAGEMENT EXPERTISE.

THIS IS PROVIDED WE CHOOSE THE CORRECT COMPANY, 30 PER CENT FOREIGN AND 70 PER CENT MALAYSIAN WITH SUFFICIENT BUMIPUTRA PARTICIPATION. I THINK THEY (THE PRIVATE SECTOR) WOULD BE ABLE TO PARTICIPATE IN THIS THING PROVIDED THEY DESIGN THE PROJECTS IN ORDER TO ENABLE THEM TO MAKE SUFFICIENT INCOME TO COVER THEIR COST. AND IT IS NOT IMPOSSIBLE TO DO THIS EVEN IN TELECOMS AND IN RAILWAYS.

Q: WOULD THIS NOT LEAD TO INCREASING THE BURDEN ON THE PUBLIC FOR USING THE FACILITIES? THE PRIVATE SECTOR RUNNING A PORT WOULD CHARGE FOR THE SERVICES AND SUCH CHARGES WOULD INVARIABLY BE PASSED ON TO THE CONSUMERS. WOULD THIS NOT INCREASE COSTS TO CONSUMERS? -- MORE 1845/0D
.....

A: ONE WAY OR THE OTHER THE CONSUMERS HAVE TO PAY FOR IT. EITHER THEY PAY FOR IT THROUGH THE GOVERNMENT LOSING MONEY ALL THE TIME AND THEREFORE DEPRIVING OTHERS OF THE MONEY, OR THEY PAY A FEE THAT IS COMMENSURATE WITH THE SERVICE THAT IS RENDERED. BUT IT IS NOT DEFINITE THAT IF WE TURN IT (A SERVICE) OVER TO THE PRIVATE SECTOR IT MUST NECESSARILY GO UP IN PRICE BECAUSE SOME OF THE FACILITIES WILL STILL BE MAINTAINED BY THE GOVERNMENT. THE PRIVATE SECTOR DOESN' WANT TO LOOSE MONEY AND THEY WILL HAVE TO RUN A VERY EFFICIENT PORT IF THEY WANT TO RUN A PORT AT ALL AND WE THINK IT CAN BE DONE. FOR EXAMPLE, WE HAVE ALLOWED ONE PRIVATE COMPANY TO GO INTO CONTAINER AND I THINK THEY ARE DOING VERY WELL. THEY ARE NOT OVERCHARGING ANYBODY. IN FACT, PEOPLE PREFER THEM TO THE ORIGINAL KONTENA NASIONAL. SO YOU CAN SEE THAT COMPETITION IS VERY GOOD.

Q: DATUK, IS THE SYSTEM NOT MORE SUITABLE ESPECIALLY PORTS. AT PRESENT THOSE WHO DO NOT USE

Q: DATUK IS THE SYSTEM NOT MORE SUITABLE ESPECIALLY FOR PORTS. AT PRESENT THOSE WHO DO NOT USE THE PORT IS PAYING FOR FACILITIES AT THE PORT THROUGH INCOME TAX. BUT IF YOU HAVE A COMPANY RUNNING A PORT CHARGING ONLY THOSE WHO USE THE PORT THEN IT IS PERHAPS A MORE SUITABLE SYSTEM.

A: WHEN THE GOVERNMENT MAINTAINS FACILITIES OBVIOUSLY THOSE FACILITIES ARE FOR EVERYBODY. SOME PEOPLE CONTRIBUTE INCOME TAX WHICH PAYS FOR OUR HOSPITALS BUT THESE PEOPLE NEVER GO TO THE HOSPITALS. YOU SEE WE HAVE A SYSTEM THAT IS MORE SOCIALIST THAN EVEN BRITAIN'S BECAUSE THE BRITISH HEALTH SERVICES ARE RUN WITH CONTRIBUTIONS FROM THE PEOPLE. HERE NOBODY CONTRIBUTES ONE CENT TO THE RUNNING OF THE VERY COSTLY HOSPITALS.
-- MORE 1902/0D

MAHATHIR INTERVIEW (POLICIES) 13

IT WAS ALL RIGHT BEFORE WHEN YOU DISPENSE SOME MIXTURE MADE FROM HERBS OR SOMETHING LIKE THAT AND MAINLY WATER WHICH COST ABOUT 10 OR FIVE CENTS A BOTTLE, BUT NOW ONE CAPSULE CAN COST AS MUCH AS THREE CENTS AND YOU HAVE TO PRESCRIBE FOUR CAPSULES A DAY. OBVIOUSLY THIS MOUNTING COST CANNOT BE BORNE BY THE GOVERNMENT FOREVER.

Q: BUT DATUK, HAVE OUR SOCIO-ECONOMIC DEVELOPMENT PROCEEDED ENOUGH FOR US TO BE ABLE TO DIVEST OURSELVES OF THE SOCIO-ECONOMIC SUPPORT SYSTEMS THAT HAD BEEN PAID THROUGH TAXES FOR THE GOVERNMENT TO RUN.

A: WHAT IS HAPPENING NOW IS THAT WHILE THE ECONOMY IS NOT ALL THAT DEVELOPED WE WANT THAT KIND OF SERVICES THAT IS ONLY MEANT FOR DEVELOPED COUNTRIES. THEREFORE WE WANT MORE. THERE IS NO WAY THE GOVERNMENT CAN GIVE YOU MORE WHEN YOU PAY LESS. THE STANDARDS THAT WE DEMAND IN THIS COUNTRY ARE THE STANDARDS OF DEVELOPED COUNTRIES BUT THE TAXES THAT WE PAY ARE OF DEVELOPING COUNTRIES.

Q: DATUK, APART FROM PORTS, TELECOMMUNICATIONS AND THE RAILWAYS, ARE YOU NOT CONSIDERING OTHER SERVICES LIKE MAS AND THE MISC WHICH ARE COSTING THE GOVERNMENT A LOT OF MONEY AS POSSIBLE CANDIDATES FOR PRIVATISATION? IF NOT TOTAL PRIVATISATION, YOU MAY PERHAPS CONSIDER SELLING PART OF THE SHARES TO THE PRIVATE SECTOR WHILE MAINTAIN THE BASIC OBJECTIVES OF THE SERVICES.

A: WE CONSIDER EVERYTHING. IN FACT SOME WE HAVE NAMED, SOME WE WAIT FOR PEOPLE TO SUGGEST. ANYBODY WHO HAS AN IDEA HOW THEY CAN PARTICIPATE IN THIS THING PROFITABLY FROM THE POINT OF VIEW OF THE GOVERNMENT THEN WE ARE WILLING TO CONSIDER. WE ARE NOT CONFINING THIS PRIVATISATION TO JUST THREE OR FOUR ITEMS. WE ARE OPEN TO ANY SUGGESTION OR PROPOSAL. -- MORE 1830/MB
.....

ZCZC NO88 (F/S)
MAHATHIR - INTERVIEW (POLICIES) 14

IF YOU WANT TO TAKE MAS AND PRIVATISE IT AND PROVE TO US
THAT YOU CAN DO A BETTER JOB, ... YES, CERTAINLY.

PRIVATISATION AND THE NEP

Q: WHAT IS THE RELATIONSHIP BETWEEN PRIVATISATION AND THE NEP.
WOULD IT NOT EFFECT THE TARGET OF THE NEP.

A: WE FEEL THAT NOW WE CAN DO IT WITHOUT RELEGATING TO THE
BACKGROUND THE NEW ECONOMIC POLICY. IT WILL BE DONE IN THE CONTEXT
OF THE NEP AND WE THINK THAT IT IS POSSIBLE NOW. OF COURSE
WE ARE NOT GOING TO RUSH. EVERY CASE WILL BE STUDIED ON ITS
MERITS, IN TERMS OF PARTICIPATION, IN TERMS OF BENEFITS TO THE
PUBLIC, BENEFITS TO THE GOVERNMENT AND BENEFITS TO THE NATION
AS A WHOLE. WE ARE NOT SAYING PRIVATISE AND THEN TURN
THEM OVER JUST LIKE THAT. THE GOVERNMENT DOES NOT DO THINGS
THAT WAY. WE STUDY CAREFULLY AND IF WE FIND THAT IT IS NOT IN
CONFLICT WITH THE NEP, THAT IT WILL IN FACT BENEFIT THE PEOPLE,
THEN WE WILL DO THAT.

Q: WOULD THE GOVERNMENT GIVE THE PRIVATE SECTOR A FREE HAND
OR WOULD THERE BE GUIDELINES AND RULES.

A: WELL, I WOULD SAY THAT IF WE GIVE THE THIRD (TELEVISION)
CHANNEL TO THE PRIVATE SECTOR, IT DOESN'T MEAN THEY CAN TELECAST
PHONOGRAPHIC FILMS. REDIFUSSION, FOR EXAMPLE, USES RADIO MALAYSIA
NEWS SO THERE IS NO HARM THERE. THE CONTROL IS STILL WITH
THE GOVERNMENT IN SO FAR AS CERTAIN CONTENTS ARE CONCERNED.
BUT THE MANAGEMENT IS THEIR'S. -- MORE 1835/MB

ACHIEVEMENTS OF THE NEP

Q: DATUK, YOU WERE SAYING EARLIER THAT THERE ARE NOW A SUFFICIENT NUMBER OF BUMIPUTERA COMPANIES CAPABLE OF TAKING OVER (CERTAIN FACILITIES NOW RUN BY THE GOVERNMENT). CAN WE TAKE IT THAT THE GOVERNMENT IS SATISFIED WITH THE ACHIEVEMENTS UNDER THE NEW ECONOMIC POLICY?

A: WE ARE BEHIND TARGET PRINCIPALLY BECAUSE OF THE RECESSION. WE WOULD HAVE BEEN ON TARGET HAD THERE BEEN NO RECESSION. SO I WOULD SAY THAT I AM NOT SATISFIED (BECAUSE WE ARE BEHIND SCHEDULE). BUT I AM SATISFIED IN SO FAR AS ACHIEVEMENTS... IN THE CONTEXT OF THE RECESSION (ARE CONCERNED).

Q: YOU SAY THAT THE NEP IS BEHIND TARGET. 1990 IS DRAWING NEAR. WHERE DO BUMIPUTRAS STAND ECONOMICALLY NOW AND WHAT IS IN STORE (FOR THEM) BEYOND 1990.

A: WELL, IT IS VERY DIFFICULT FOR ME TO FORESEE THIS THING. WE MAY BE ABLE TO ACHIEVE AN ACCELERATED GROWTH IN TERMS OF THE NEP AT A LATER STAGE. THIS IS PERHAPS JUST A CONJECTURE. PERHAPS, IT'S WISHFUL THINKING. BUT THE IMPORTANT THING IS THAT IN THIS COUNTRY WEALTH MUST BE SHARED AMONG THE DIFFERENT COMMUNITIES AND THIS IS SOMETHING THAT EVERYBODY HAS ACCEPTED. SO I DON'T SEE THE PROBLEM BEYOND 1990. IF AFTER 1990 WE REVERT TO THE 1969 SITUATION THEN, OF COURSE, ALL THE WORK THAT HAS BEEN DONE THESE 20 YEARS WILL BE USELESS. CERTAINLY NOBODY WANTS TO SEE THAT. -- MORE 1750/MB

Q: NOBODY CAN DENY THAT THE POLICY HAS TO A CERTAIN EXTENT BENEFITED MALAYSIANS GENERALLY AND IN PARTICULAR THE MALAYS AND THE OTHER BUMIPUTERAS. BUT IT IS ALSO QUITE OBVIOUS THAT SOME ARE BENEFITING MORE THAN OTHERS. IN FACT THERE HAVE BEEN RUMBLINGS THAT IT IS MAINLY THE UPPER CLASS AND THE ROYALTY WHO HAVE MORE ACCESS TO THE OPPORTUNITIES CREATED AND THUS HAVE BENEFITED MORE THAN OTHER BUMIPUTERAS OR THE MALAYS. WOULD IT BE TRUE TO SAY THAT THIS IS AN UNDESIRABLE TREND AS IT COULD CREATE CONFLICTS AMONG THE MALAYS BASED ON CLASS?

A: NO, IT IS NOT SO. OF COURSE, WHEN YOU TALK ABOUT THE NEW ECONOMIC POLICY YOU MEAN BUSINESS. THE NEW ECONOMIC POLICY IS NOT JUST BUSINESS. EDUCATION IS PART OF THE NEW ECONOMIC POLICY. EDUCATION OPPORTUNITIES FOR THE POOR PEOPLE IN THIS COUNTRY HAVE BEEN ENHANCED BY THE NEW ECONOMIC POLICY. IN FACT THE SO-CALLED MIDDLE CLASS MALAYS WERE ACTUALLY THE LOWER CLASS MALAYS BEFORE. WHY SHOULD WE SAY THAT YOU SHOULD ONLY REACH THAT LEVEL AND NO FURTHER. QUITE A NUMBER OF THESE PEOPLE STARTED OFF VERY POOR. ONE OF THE MOST SUCCESSFUL MALAY BUSINESSMEN THAT I KNOW WAS THE SON OF THE DRIVER OF A BRITISH TIN MINER. HE USED TO LIVE IN THE GARAGE OF THE TUAN'S HOUSE WHICH IS NOT SO VERY FAR FROM HERE BUT NOW HE IS A SUCCESSFUL ENTREPRENEUR. HOW CAN YOU CALL HIM UPPER CLASS? NOW IF HE IS GOING TO BENEFIT FROM THE NEW ECONOMIC POLICY WHY DO YOU REGRET IT. AFTER ALL, DO YOU WANT TO SEE IN THE ECONOMIC POLICY THE MALAYS REACH MIDDLE CLASS AND NEVER UPPER OR HIGHER CLASS? IN FACT THIS TALK ABOUT CLASS IS TOTALLY IRRELEVANT IN THE CONTEXT OF MALAYSIA. MALAYSIA IS NOT CLASS CONSCIOUS. OF COURSE PEOPLE WANT TO FLASH AROUND IN THEIR CARS BUT EVEN GRADUATES FROM THE UNIVERSITIES WHO MAY HAVE SOCIALISTIC IDEAS WHEN THEY WERE STUDENTS NOWADAYS DRIVE IN VERY NICE CARS. SO WHY SHOULD WE REGRET IT. I THINK THIS IS WHAT WE. -- MORE 1810/MB

ARE WORKING FOR. I FEEL NO SENSE OF JEALOUSY IF THESE PEOPLE BECOME RICH BECAUSE I ALWAYS REMEMBER THAT WHEN THEY BECOME RICH THEY HAVE TO CONTRIBUTE 40 PER CENT OF THEIR INCOME FOR THE POOR PEOPLE WHO HAVE NOT YET COME UP. WHY SHOULD WE BE JEALOUS? LET THEM BE RICH. IF CHINESE CAN BE RICH, IF THE WESTERNERS CAN BE RICH, IF INDIANS CAN BE RICH, WHY NOT THE MALAYS? WHY SHOULD WE BE SO BOTHERED ABOUT THIS. I DON'T SEE THE RELEVANCE. I DON'T CARE IF I DON'T ACHIEVE THAT LEVEL BUT IF EVERYBODY ACHIEVES IT AND I CAN HELP THEM I'M GOING TO HELP THEM. NO REGRETS.

Q: DATUK, THE TALK IS NOT SO MUCH ABOUT CLASS BUT THE ROYALTY, THE INVOLVEMENT OF THE ROYALTY IN BUSINESSES.

A: OUR ROYALTY IS ALSO A MEMBER OF THE COMMUNITY THAT WE HAVE TO ACCEPT. THE ONLY THING THAT WE CANNOT ACCEPT, OF COURSE, IS IF ANY SPECIAL POSITION IS USED BY ANYBODY, WHETHER OF ROYALTY OR NOT, IN ORDER TO GET CERTAIN PRIVILEGES AND ADVANTAGES. THAT, OF COURSE, IS NOT ACCEPTABLE. BUT IF THEY BECOME RICH IN THE NORMAL WAY, I HAVE NO REGRETS. IF THEY DO BUSINESS AND THEY TAKE ALL THE RISKS AND THEY LOSE MONEY (AND LATER) MAKE MONEY, THAT IS THEIR ENTITLEMENT.

Q: THIS QUESTION OF ENVY, WOULD IT NOT BE REDUCED IF THERE WAS A CULTURAL MOVEMENT AND A PSYCHOLOGICAL MOVEMENT AIMED AT THE HEART OF THE CAUSES OF ENVY WHICH IS OSTENTATIOUS LIVING AND THE SHOWING OFF OF ONE'S WEALTH? -- MORE 1816/MB

A: THIS IS REALLY A QUESTION OF DEGREE. WHAT IS THE DEGREE OF OSTENTATION THAT YOU ARE TALKING ABOUT? I THINK IF YOU GO TO SOME COUNTRIES YOU REALLY FIND OUT ABOUT OSTENTATION. IN FACT IN SOME COUNTRIES THERE IS NO MIDDLE CLASS. THERE'S ONLY THE UPPER CLASS AND LOWER CLASS. THERE YOU FIND EXTREME OSTENTATION, HUGE PALACES ON THE ONE HAND AND MUD HUTS ON THE OTHER SIDE OF THE FENCE. THAT DOES NOT HAPPEN IN MALAYSIA BECAUSE HERE WE HAVE A GROWING MIDDLE CLASS SO THERE IS OFTEN A TAPERING OFF FROM THE TOP. THE QUESTION IS IF WE DECIDE THAT THERE SHOULD BE NO OSTENTATION AT ALL WE HAVE TO DEFINE WHAT IS OSTENTATION BECAUSE THEN YOU WILL SAY 'WELL THE CHAP WHO WEARS A PIERRE CARDIN SHIRT IS OSTENTATIOUS COMPARED TO SOMEONE WHO WEARS A VAN HEUSEN.' THE THING IS THAT WE SHOULDN'T BE GIVING TOO MUCH ATTENTION TO THESE SMALL THINGS. PEOPLE MAKE MONEY AND THEY WANT TO SPEND IT. TO ME IT IS GOOD. EVERY TIME THEY SPEND MONEY, SOMEBODY MAKES MONEY. WHEN SOMEBODY BUYS A BMW CAR, SARAWAK MOTORS MAKES MONEY, THE WORKERS IN SARAWAK MOTORS EARN MONEY AND THE CHAP WHO SELLS BMW MAKES MONEY AND THE CHAP WHO SERVICES BMW MAKES MONEY AND IF IT BREAKS DOWN OR WHATEVER SOMEBODY IS GOING TO MAKE MONEY. BUT IF YOU SAY THAT EVERYBODY SHOULD USE A SMALL CAR THEN OF COURSE IN THE FIRST PLACE, THE CHAP WHO HAS GOT THE FRANCHISE FOR BMW IS GOING TO GO BANKRUPT. SO HE WANTS TO SELL SMALL CARS BUT EVERYBODY IS SELLING SMALL CARS ALREADY SO HE WON'T HAVE A CHANCE TO DO BUSINESS. IF THE MAN WHO SELLS THE CAR MAKES A LOT OF MONEY, THE GOVERNMENT TAXES HIM. HE SPENDS MONEY, WE TAX HIM. HE USES A VERY COSTLY CAR, WE IMPOSE HIGH TAX. YOU KNOW WE IMPOSE HUGE TAXES IN THIS COUNTRY FOR BIG CARS - 150 PER CENT. SO YOU USE SMALL CARS, WE CHARGE YOU 15 PER CENT ONLY. I LIKE THEM TO SPEND MONEY. -- MORRE 1910/MB

MAHATHIR - INTERVIEW (POLICIES) 19

EVERY TIME THEY SPEND MONEY THE GOVERNMENT GETS, THE MAN WHO SELLS GETS, THE MAN WHO WORKS GETS. EVERYBODY HAS A SHARE, EVEN THE CHAP WHO OPENS THE HILTON BACK DOOR. SO WHY DO WE HAVE THIS ENVY? TO ME IT IS TOTALLY IRRELEVANT. THE ONLY THING IS DON'T GO AROUND KICKING PEOPLE OR PUNCHING PEOPLE OR DOING THINGS LIKE THAT. IF YOU HAVE RICHES YOU EMPLOY A DRIVER. A BMW USER MUST HAVE A DRIVER. IF YOUR DRIVER AROUND IN A SMALL CHARADE DAIHATSU YOU DON'T USE A DRIVE, SO SOME POOR CHAP HAS GOT NO JOB.

Q: DATUK, WOULD YOU SAY THAT OUR TAXES ARE NOT PUNITIVE ENOUGH ESPECIALLY ON LUXURY GOODS? THE TAX ON A BMW IS 150 PER CENT. WHY NOT 300 PER CENT? WHY NOT 500 PER CENT? IN THIS CONNECTION MAY I REFER TO THE MALAYSIAN CAR PROJECT WE ARE GOING TO LAUNCH. A LOT OF PEOPLE ARE OPPOSED TO IT. SOME PERHAPS SUPPORT IT. THE SOUTH KOREAN CAR INDUSTRY IS ALREADY SET TO EXPAND BUT IN THIS CASE THERE IS PRACTICALLY NO IMPORT OF FOREIGN CARS. SO IS THERE NOT A NECESSITY TO REALLY BE PUNITIVE SOMETIMES WITH IMPORTED GOODS. IS THERE NOT A NECESSITY TO START NOW TO ORIENTATE OUR MARKET TO RESPOND FULLY TO MALAYSIAN CARS. -- MORE 1925/MB

ZCZC N096 (F/S)

MAHATHIR - INTERVIEW (POLICIES) 20

A: WELL, I DON'T THINK THE MALAYSIAN CAR IS THREATENED BY THIS IMPORT THAT MUCH. YOU SEE, WE ARE CATERING FOR A DIFFERENT KIND OF PEOPLE. THE NUMBER OF PEOPLE WHO ARE GOING TO BUY BMW IS VERY SMALL. LET THEM BUY THE BMW, WE'LL USE THE MONEY FROM THE TAX TO FINANCE THE MALAYSIAN CAR. IF WE HAD TO CONFINE OURSELVES TO IMPORTING ONE OR TWO MAKES OF CARS LONG AGO, IT WOULD HAVE BEEN ALL RIGHT. BUT WE WERE RULED BY THE BRITISH AND THEY IMPORTED ALL KINDS OF CARS AND MALAYSIANS DEVELOPED A TASTE FOR ALL KINDS OF FOREIGN GOODS, INCLUDING FOREIGN CARS. AS THEY BECOME RICHER THEY WANT TO BUY MERCEDES, THEY WANT TO BUY THIS, THAT AND THE OTHER. SO IT IS A BIT TOO LATE FOR US TO THINK ALONG THAT LINE. ALL WE CAN DO IS TO RAISE TAXES BUT WHEN YOU RAISE TAXES YOU HAVE TO REMEMBER TWO THINGS: DO YOU RAISE TAX IN ORDER NOT TO COLLECT IT OR DO YOU RAISE IT IN ORDER TO COLLECT IT? IF YOU RAISE IT SO HIGH THAT PEOPLE WILL NOT IMPORT THEN YOU ARE DEFEATING YOUR PURPOSE. OF COURSE IF YOU DON'T WANT THE CAR AT ALL, WHY NOT A TOTAL BAN. YOU SEE, WHEN WE RAISE THE TAX ON GOLD ALL THAT HAPPENS IS THAT THERE IS SMUGGLING. SO WE DON'T GET THE MONEY. IT'S BETTER TO HAVE A SMALL TAX AND PEOPLE BRING IN THE GOLD AND WE COLLECT THE MONEY. SO THESE THINGS HAVE GOT TO BE DONE JUDICIOUSLY. WE NOTICE, FOR EXAMPLE, THAT WHEN WE RAISE THE TAX FOR A SHORT PERIOD PEOPLE WILL GET A SHOCK AND THEY DON'T BUY AND THEN THEY BECOME ACCUSTOMED AGAIN TO IT AND THEY CONTINUE TO BUY. SO IT WE WANT TO IMPOSE TAXES, DO IT BY STAGES. IF WE HAVE PUT IN THIS 150 PER CENT TAX ON BMW RIGHT FROM THE WORD GO NOBODY WILL BUY. BUT NOW THEY STILL BUY. -- MORE 2020/MB

Q: DATUK, I WOULD LIKE TO TOUCH ON THE OTHER OBJECTIVE OF THE NEW ECONOMIC POLICY, ERADICATION OF POVERTY. WHAT HAS BEEN ACHIEVED SO FAR? ARE YOU SATISFIED WITH IT?

A: THIS IS A QUESTION OF DEFINITION OF POVERTY. YOU KNOW WE CAN DEFINE POVERTY AS INCOME AT A CERTAIN LEVEL AND ANYBODY BELOW THAT WE CALL POOR. THEN, OF COURSE, IF YOU KEEP ON RAISING THAT LEVEL THERE WILL ALWAYS BE POOR PEOPLE. THE OTHER THING IS TO DEFINE POVERTY AS ABSOLUTE POVERTY. THE KIND OF POVERTY YOU SEE IN SOME CITIES AND IN ASIA WHERE PEOPLE HAVE GOT NO CLOTHING TO WEAR, THEY SLEEP ON THE FIVE-FOOT PATH, THEY HAVE NO SHELTER OVER THEIR HEADS. THAT SORT OF THING DOESN'T HAPPEN IN MALAYSIA, EXCEPT IF A PERSON IS A BIT OFF HIS HEAD AND HE DECIDES TO SLEEP ON THE FIVE-FOOT PATH. BUT EVEN THEN, THE WELFARE DEPARTMENT WILL COME AND TAKE HIM TO SOME PROPER PLACE. SO ABSOLUTE POVERTY DOES NOT HAPPEN IN MALAYSIA. EVEN IN THE KAMPUNG, SIMPLY BECAUSE OF OUR EXTENDED FAMILY SYSTEM, OUR SOCIAL SYSTEM WHERE YOU HELP YOUR NEIGHBOUR, AND NOBODY CAN DIE OF DEPRIVATION, DESTITUTION. SO WHAT WE ARE DOING IS TO RAISE THE LEVELS OF INCOME. PRACTICALLY EVERY YEAR WE RAISE THE LEVELS OF INCOME SO THE NUMBER OF PEOPLE BELOW THE POVERTY LINE IS STILL QUITE EXTENSIVE. IT IS AN ARBITRARY LINE THAT WE DRAW BECAUSE WE FIX A TARGET AND WE WANT PEOPLE TO BE ABOVE THAT.

BUT, OF COURSE, IF WE DRAW THE POVERTY LINE LOWER THEN LESS PEOPLE WILL BE BELOW THE POVERTY LINE. THERE IS NO DOUBT THAT DURING THE PLAN PERIOD WE HAVE REDUCED POVERTY CONSIDERABLY. EVERYBODY WOULD NOTICE THAT PEOPLE IN MALAYSIA ARE BETTER DRESSED, BETTER SHELTERED THAN EVER BEFORE. THIS IS THE PROOF.
-- MORE 2035/MB

ZCZC N098 (F/S)

YOU SEE MORE HOUSES GOING UP, MORE LOW-COST HOUSES OF COURSE WE HAVE NOT BEEN ABLE TO ERADICATE DEFINED POVERTY AND WE ARE NOT SATISFIED WITH IT. THAT IS WHY WE ARE GOING TO CONTINUE IN THIS WAR AGAINST POVERTY. BUT JUST THE GOVERNMENT ALONE CANNOT SUCCEED BECAUSE EVERY MAN IN THIS COUNTRY CAN RISE ABOVE POVERTY IF HE IS PREPARED TO WORK AND WORK HARD FOR HIMSELF. (THERE IS) NO PROBLEM AT ALL BECAUSE THERE ARE ANY NUMBER OF JOBS. IT IS THEIR CHOICE IF THEY WANT TO REMAIN AS THEY ARE. IF THEY WANT TO DO THEIR TRADITIONAL THING, THEY HAVE TO SUFFER THE CONSEQUENCES.
-- BERNAMA 2040/MB