

5th Plan emphasis to be varied for some sectors

By HARDEV KAUR

DEVELOPMENT emphasis under the Fifth Malaysia Plan will be varied for certain sectors.

The "bad performance of tin and rubber exports" points to a need for change in the agricultural and mining sectors.

Prime Minister Datuk Seri Dr Mahathir Mohamad said large invisibles must be overcome by more direct trade and use of Malaysia's own ships and insurance.

In an interview with *Arabia*, a London-based publication, Dr Mahathir said: "Currency outflows will have to be stemmed and the flow reversed by promoting domestic higher education and tourism."

He stressed that the New Economic Policy (NEP) would continue to be implemented especially in sectors which "exhibit glaring disparities."

However, he added that there was a reasonable chance that the NEP targets would be achieved by the end of the Fifth Malaysia Plan.

In a wide ranging interview to mark the 28th anniversary of independence, Dr Mahathir said results of various policies adopted by the government — Look East, heavy industries, the national car project, privatization and Malaysia Inc. — had been good.

He pointed out that the policies were intended to

make Malaysia economically sound and capable of rapid growth. "A confrontational attitude between government and business is unproductive — for each really and truly depends on the other."

Dr Mahathir said despite the worldwide recession, Malaysia had not only sustained but actually exceeded its growth targets.

Asked to explain his policies on economic development, politics, international relations and Islam he said: "We intend to develop economically so as to be on par with the developed countries."

"Whether we admit it or not, all Muslim countries are economically subservient to the developed countries. There is no reason why they should permanently accept this status."

On international relations, he said Malaysia wished to be friends with everyone irrespective of their system or faith.

On politics, he said the country intended to be stable. "We will fight against those who try to weaken our country by splitting the Muslims. We have seen enough of internecine wars among Muslims to wish to protect Malaysia from this disease."

Asked on the rationale for the 70 million population, Dr Mahathir said to be economically strong a country must have a

large domestic market. One way to achieve this was higher income and another was a bigger population.

"If the productivity of the people can be increased, or even just maintained, a 70 million population will provide Malaysia with the domestic strength that it needs," he said.

The Prime Minister said that from past performance it had been proven that an increase in population in Malaysia had not resulted in lowered income or higher unemployment.

Prudent economic policies had enabled Malaysia, with a population of seven million and a per capita income of US\$300 on achieving independence in 1957, to become a country of 15 million with a per capita income of \$2,000 now.

"There is no reason why we cannot sustain this level of income if we increase our number to 70 million hard-working, productive Malaysians," he added.

The Prime Minister also touched on the Islamic University, Asean and political issues. Asked what effect the MCA crisis would have on the strength of the Barisan Nasional he said that: "The MCA crisis will affect the strength of the Barisan Nasional if it is not resolved before elections are held. However, we think it will be resolved."