

Success will depend on the private sector

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WHETHER the Fifth Malaysia Plan achieves its target or fails will depend on the response from the private sector, Prime Minister Datuk Seri Dr Mahathir Mohamad said when tabling it in the Dewan Rakyat yesterday.

However, the response from the sector to various measures to encourage investments has been "lukewarm," which will not augur well for the country's future if the trend continues, he said.

"If we do not have the confidence to invest in our own country, it will be too much to expect others to do so," he said.

The government, on its part, will do everything possible to deregulate the economy, and in fact this has already commenced. He remarked that the economy was going through an uncertain period, but called on Malaysians not only to "learn to live with it but to learn to overcome it"

as well.

He emphasised that the economic and political problems the country is now facing are not permanent, and that all things will pass and be overcome.

He rapped the prophets of doom whose inherent and baseless pessimism undermines confidence. These prophets team up with the financial manipulators, speculators and asset-strippers who add confusion and uncertainty to the stock exchange.

Those whose objective is to weaken the country for their own selfish ends will invest their energy and resources in misleading and undermining the confidence of others in the economic future of this country. The private sector then must get out of its inertia, adopt a bold outlook and prepare to take risks.

He warned that rules and regulations and government intervention

cannot restore market confidence, but good and honest company management and profitability will.

Still on the theme to prod the private sector, Dr Mahathir said the development of a few selected industries will be accelerated to maximise resource allocation and exploit the country's comparative advantage.

The economies of location will be given greater importance while more joint ventures with foreigners will be encouraged to launch Malaysia as a global marketer of manufactured products.

There will also be greater private sector role in agriculture, particularly in a more flexible approach to land use, especially in food production. The private sector will be encouraged to participate as partners in government land development schemes, he said.

Emphasis will also be

made on increasing the productivity of local labour through fuller development of human resources. Training will be more on improving skills than on mere academic training.

The Prime Minister said current estimates indicate that about 684,000 will be unemployed in 1990, giving an unemployment rate of 10.1 per cent as against 7.6 per cent in 1985.

To further improve competitiveness, there will also be more attention on research and development programmes, where higher technology and strategic programmes aimed at boosting industrial output and technological capability will be initiated.

Consistent with the overall government emphasis, the public sector will no longer play a leading role in stimulating economic growth. Instead, steps will be taken to gradually reduce its role.