

# Live within our means or beg to live in style: PM

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KUALA LUMPUR, Mon. — The deterioration of commodity prices has left Malaysians with two choices — learn to live within their means or beg for aid to live in the style they have grown used to, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

Dr Mahathir, who drove home this harsh reality at a seminar on primary commodities today, told Malaysians to do the former.

He also told Malaysians that it was clear a lot of things were wrong with the commodities trade and they should read the signs and think of ways to overcome the problems if they want to continue to produce and export commodities.

"Waiting for the cycle to reverse is not enough," he said. "For some commodities, the good days are over. For

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others, the threat will grow until they too collapse."

He said Malaysians could switch to other commercial activities but that a switch would not bring immediate results. Something quick was what Malaysia needed, he added.

"Finally, if all else fails, we have to live within our means. We have to be satisfied with whatever income we get and sustain ourselves on this income.

"We Malaysians must have pride. We must face reality. Systematically and with determination, we must set about the task of overcoming the problems caused by the collapse of commodity prices."

Dr Mahathir said the targets of the Fifth Malaysian Plan were realistic when they were being drawn up but

the rapid fall in commodity prices had probably rendered "the modest targets we have set ourselves beyond reach."

"If we sit tight and do nothing, if we merely bemoan our fate, or if we just urge the Government to do something, we are not going to achieve anything."

He chided Malaysian producers for their inefficiency, saying that whenever greater efficiency was suggested, the response was to demand removal of taxes.

"Apparently, everyone can achieve economies (of scale) which we find impossible to achieve. Is it not possible that there is something wrong with us?"

Citing the Japanese and the Germans as examples, the Prime Minister said they not only lost the war but

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became bankrupt in the process. Yet today they are better off than their victors.

Perhaps, he said, the Marshall Plan (for the reconstruction of war-ravaged economies) helped. "But the truth is that the Japanese worked for a pittance in order to help re-establish their industries."

For a long time, they were not allowed to go abroad to spend foreign exchange on personal needs. Only industries were allowed to buy from abroad.

"Today, that iron discipline, that strong will, have paid handsomely.

"Of course, Malaysians are not Japanese. Generally, we do not place such a high premium on sacrifice. But what is our choice?

"Either we learn to live within our means or we join the ranks of the basket cases, begging for aid so as to live in the style we have grown used to."

Using the Singer Machine Company as another example, he said the company made its fortune and reputation manufacturing and selling sewing machines.

Today there is just no market for domestic sewing machines, but Singer is still in business, selling household appliances.

"There is a lesson here somewhere," the Prime Minister said.

The four-day seminar, organised by the Primary Industries Ministry, is attended by local commodity experts, producers and representatives of related industries.

The Prime Minister said the Government initiated the seminar because there is an urgent need to understand the commodities trade and the problems that it faces in present days of rapid scientific and technological progress.