

PM OUTLINES 3-POINT ECONOMIC STRATEGY

New gameplan

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From SAAD HASHIM: London, Jan 15

PRIME Minister Datuk Seri Dr Mahathir Mohamad spoke last night of a three-point plan to overcome the present economic slowdown. But above all, he said, there is a need for honesty.

He said Malaysia would have to get out of being an economy too dependent on commodities, cut overall production costs and plan for bigger production of food crops.

He was speaking to members of the UK Umno Club at the High Commission here.

Dr Mahathir said: "At the time when prices of commodities were high we were doing fine. But now the markets have slumped due to greater use of substitutes.

"Take, for example, the use of tin plate as packaging materials. Nowadays they are replaced by aluminium and plastics. And, fibre optics, which are 20 times cheaper and can carry

20 times more capacity, have replaced copper cables.

"On top of that, there is a microchip which can now replace a roomful of vacuum valves.

"Therefore, what do we do? We must get out of this situation of depending too much on raw materials.

"We have to speed up our manufacturing activity. But to do this we must reduce our costs, not just through wage freeze, but other costs as well or else we will not be competitive.

The Prime Minister said Malaysia must diversify and grow more food crops. It is the Government's plan to make Malaysia an exporter of bananas, asparagus and corn. But to do this, costs must be kept low.

Dr Mahathir also hit out at some Malay professionals who he said had become cheats and "robbers" and betrayed the peo-

ple's trust in them. "We are not just talking about BMF, there are many more."

He regretted the attitude of some Malays whose idea of doing business, he said, was simply lobbying ministers and himself to get APs (approved permits for imports) and then sell these to others for a pittance.

The Prime Minister, who is holidaying here, said he had just spent two days "learning" the technique of wood turning at a college near Manchester.

"I am doing this because I get really mad because we have so much wood and yet we do not know how to turn them into high value added products.

"But when I try to urge some Malay businessmen to go into this because it is not difficult at all, they are not interested. They are only interested in quick money deals like selling APs.

Now what has happened? Nobody wants APs anymore because people have no money to buy cars."

The Prime Minister also answered questions on the Official Secrets Act, Maminco, the deposit taking cooperatives (DTCs) scandal, Freedom of Information Act the Umno-PAS Muazakarrah, and Umno in Sabah and allegations of government interference in the judiciary.

He said the OSA amendments were necessary to exactly identify government papers as secret documents. The mandatory jail sentence was meant to be a deterrent because a fine would be futile. Those who benefit from government secrets will readily pay the fines of government servants who disclosed the secrets to them.

The Prime Minister said for a start the judiciary is only independent in terms of determining

whether an accused or a defendant is guilty or not. The sentencing would have to follow the range of punishment as enacted by Parliament.

He said even in any future OSA cases the Government can only bring a person to court but it is up to the court to decide whether he is guilty or not.

On the DTCs scandal, he said part of the problem was their leaders were indulging in dishonest activities like speculating in properties during the boom by using depositors' money.

"The Government is determined to catch all these crooked leaders," he said. And where there is hope of recovery the Government will try to help some of these DTCs.

On the Umno-PAS dialogue, the Prime Minister said he would welcome any move to bring the Muslims close together.