

INTERVIEW R'R'R'

KUALA LUMPUR, DEC 28 (BERNAMA) -- FOLLOWING IS THE FULL TEXT OF AN END-OF-THE-YEAR INTERVIEW WITH THE PRIME MINISTER, DATUK SERI DR MAHATHIR MOHAMAD, BY SENIOR LOCAL EDITORS:

QUESTION: IN THE INTERVIEW WITH US MARKING YOUR 100 DAYS IN OFFICE, YOU MENTIONED THAT IT WAS YOUR INTENTION TO MAKE MALAYSIA WELL-RESPECTED INTERNATIONALLY AND YOU ALSO WANTED TO SEE THAT MALAYSIANS STAND ON EQUAL FOOTING WITH THE REST OF THE WORLD. IN YOUR ASSESSMENT, HOW MUCH HAVE YOU ACHIEVED IN THIS RESPECT SO FAR ?

DR M: IT IS VERY DIFFICULT FOR ME TO ASSESS THIS. OF COURSE IT IS SOMETHING THAT I INITIATED BUT FROM REPORTS THAT WE SEE, I THINK THAT MALAYSIA IS BETTER KNOWN CERTAINLY AND AS A RESULT OF OUR BEING IN THE UN SECURITY COUNCIL WHICH WE WERE ABLE TO GET ELECTED WITH A VERY STRONG SUPPORT FROM COUNTRIES WHICH OTHERWISE DO NOT KNOW US, LIKE THE SOUTH AMERICAN COUNTRIES WHICH ARE AMONG OUR STRONGEST SUPPORTERS. THE MAJORITY THAT WE GOT SHOWED THAT MALAYSIA IS CERTAINLY BETTER KNOWN AND I THINK THERE MUST BE A CERTAIN DEGREE OF RESPECT FOR THE COUNTRY IN ORDER TO GET ELECTED TO THE SECURITY COUNCIL. OUR ROLE, OUR STANCE ON THE SECURITY COUNCIL SEEMS TO BE APPRECIATED BY A LOT OF PEOPLE. THEN WE HAVE CHOGM RECENTLY WHERE THERE IS A DEPARTURE FROM THE USUAL. NORMALLY AFTER CHOGM THERE IS HARDLY ANY ACTIVITY BUT HERE THEY HAVE DECIDED THAT MALAYSIA SHOULD CHAIR A COMMITTEE TO REVIEW THE COMMONWEALTH ITSELF AND THERE ARE MANY OTHER INDICATIONS THAT PEOPLE MUST HAVE NOTICED THAT WE ARE NOW AT LEAST BETTER KNOWN AND ALSO BETTER RESPECTED. I HAVE HEARD MANY COMMENTS WHICH ARE FAVOURABLE.

Q: WILL THIS POLICY CONTINUE INTO THE 1990'S ?

DR. M: I DON'T SEE WHY NOT. IT IS BENEFICIAL FOR US TO BE BETTER KNOWN. I HAVE ALWAYS MAINTAINED THAT OF THE ASEAN COUNTRIES MALAYSIA IS THE LEAST KNOWN. EVERYBODY KNOWS THAILAND, INDONESIA, THE PHILIPPINES AND EVEN BRUNEI BUT MALAYSIA IS SOMETIMES MISTAKEN FOR SOME COUNTRY IN CHINA OR AFRICA...OF COURSE FOR A LOT OF PEOPLE WHETHER IT IS MALAWI OR MALAYSIA THERE IS NOT MUCH DIFFERENCE, SO THIS POLICY WILL CONTINUE. OF COURSE, IT HAS BROUGHT US CONSIDERABLE BENEFIT.

Q: DATUK SERI, YOU HAVE AT VARIOUS TIMES MENTIONED YOUR VISION OF MALAYSIA...THAT YOU WANTED MALAYSIA TO SET AN EXAMPLE FOR US TO GAIN RESPECT AND YOU ALSO MENTIONED OF MALAYSIA BEING A LAND WHERE THERE IS NO ABSOLUTE POVERTY, WHERE EVERYBODY IS WELL-FED, WELL CLOTHED AND ENJOY A LONG AND HEALTHY LIFE. NOW HOW FAR WOULD YOU SAY HAS THIS VISION OF YOURS BEEN FULFILLED AND DO YOU THINK YOU HAVE ACHIEVED WHAT YOU SET OUT TO DO ?

DR M: I DON'T KNOW ABOUT VISION... PEOPLE KEEP ON TALKING ABOUT MY VISION. IT IS NOTHING MORE THAN THE DESIRE OF EVERY MALAYSIAN TO BE BETTER THAN WHAT THEY ARE TODAY; TO BE RESPECTED; TO BE MORE PROSPEROUS; TO LIVE IN A WELL-ADMINISTERED COUNTRY; TO HAVE POLITICAL STABILITY....THIS IS EVERYBODY'S DESIRE. I'M MERELY PUTTING IN THE WORDS SO THERE IS NO VISION AS SUCH. IT IS EVERYBODY'S WISH TO SEE THIS THING HAPPENED. AND I THINK ALTHOUGH I SHOULDN'T BE MAKING AN ASSESSMENT OF THIS; OTHERS SHOULD BE IN A BETTER POSITION TO MAKE ASSESSMENT FROM A DISTANCE RATHER THAN FROM WITHIN ME... BUT THE FACT IS THAT THE AVERAGE MALAYSIANS TODAY FROM THE STATISTICS ARE MUCH BETTER OFF THAN THEY WERE BEFORE; POVERTY RATE HAS GONE DOWN CONSIDERABLY; PEOPLE GENERALLY LEAD A BETTER LIFE. ONE REMARK I GOT FROM FOREIGN OBSERVERS IS THAT MALAYSIANS LOOK WELL-FED. THERE ARE OTHER SIMILAR REMARKS WHICH SHOW THAT WE SEEM TO HAVE ACHIEVED GOOD RATE OF GROWTH. WE HAVE ACHIEVED AT LEAST PART OF THE TARGET.

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Q: NOW THAT WE ARE COMING TO THE END OF THE DECADE OF THE 1980'S AND ENTERING THE NEW DECADE; WHAT IS YOUR VIEW OF HOW SHOULD WE PROCEED IN MEETING THE CHALLENGES OF THE 1990'S?

DR M: IN THE FIRST PLACE, OF COURSE, WE SHOULD CONTINUE WHAT WE ARE DOING NOW BUT I THINK BECAUSE THE POTENTIAL IS SO GREAT THAT WE SHOULD BE ABLE TO ACCELERATE THIS AND IN ORDER TO ACCELERATE WE MUST HAVE THE CORRECT ATTITUDE. IT IS NOT ENOUGH FOR THE GOVERNMENT TO WANT TO DO SOMETHING; IT IS ALSO NECESSARY THAT PEOPLE PLACE THEMSELVES IN A POSITION TO ACHIEVE THE TARGET WE HAVE SET FOR OURSELVES... AND WITH THE POTENTIAL THAT WE HAVE I'M QUITE SURE THAT WE CAN ACHIEVE EVEN GREATER RATE OF GROWTH.

Q. ESPECIALLY WITH SOME OF THE PROBLEMS HAVING SEEMED TO STABILISE POLITICALLY AND NOW WITH THE SIGNING OF THE PEACE AGREEMENT WITH THE COMMUNIST PARTY OF MALAYA (CPM) AND EVEN POLITICALLY WITHIN UMNO.... IN TERMS OF DEVELOPMENT WOULD THERE BE DEVELOPMENT IN AREAS WHICH WERE NOT ACCESSIBLE BEFORE LIKE IN THE BORDER AREAS. THERE HAS BEEN TALK THOSE AREAS ARE RICH IN RESOURCES?

DR M: WELL, NO DOUBT WITH THE CPM'S LAYING DOWN OF ARMS, IT MEANS IT MAKES AVAILABLE A LOT OF BORDER AREAS FOR DEVELOPMENT. BUT HERE AGAIN, THE DEVELOPMENT MUST BE DONE PROPERLY. SUPPOSING THERE IS GOLD THERE AND EVERYBODY GOES THERE WITH A CANGKUL TO DIG FOR GOLD THEY ARE NOT GOING TO BE ABLE TO GET THE MAXIMUM OUT OF THIS. IF IT IS DONE PROPERLY THEN THE GOVERNMENT WOULD BENEFIT AND WHEN THE GOVERNMENT BENEFITS, THE PEOPLE WILL HAVE A SHARE FROM THE EXPLOITATION OF THE RESOURCES. OF COURSE, BECAUSE MALAYSIA IS A DEMOCRATIC COUNTRY, SOMETIMES THE GOVERNMENT IS CONSTRAINED BY THE NEED TO BECOME POPULAR AND WHEN GOVERNMENT THINKS ONLY IN TERMS OF BECOMING POPULAR GENERALLY PEOPLE ARE GOING TO SUFFER BECAUSE OF THE INTEREST OF A SELECTED FEW WILL BE GIVEN PRIORITY OVER THAT OF THE WHOLE POPULATION.

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Q: DATUK SERI, TALKING OF POPULARITY...WHEN WE STUDY THE RECORD OF YOUR ADMINISTRATION, YOU STARTED VERY WELL, THEN THERE APPEARED TO BE SOME DECLINE IN GOVERNMENT'S IMAGE AND NOW YOUR POPULARITY IS UP AGAIN. PEOPLE ARE WONDERING HOW YOU MANAGE TO ACHIEVE THIS DESPITE ALL THE CHALLENGES?

DR M: IT IS NOT A QUESTION OF MANAGEMENT, IT IS THE NORMAL REACTION OF ANY COMMUNITY TO CHANGE. THAT COMMUNITY HAS NOT BEEN SUBJECT TO RADICAL CHANGE FOR A LONG TIME AND PEOPLE WERE COMFORTABLE AND, OF COURSE, A LOT OF EXPECTATIONS WERE RAISED WHEN I BECAME PRIME MINISTER AND THE POPULARITY REALLY WAS BECAUSE OF EXPECTATIONS. ON THE OTHER HAND, ALTHOUGH THEY EXPECTED THINGS TO CHANGE THEY DON'T WANT TO CHANGE. WHEN WE INSTITUTE CHANGE IMMEDIATELY THEY BECOME UNCOMFORTABLE. FOR EXAMPLE, WHEN WE SAY LET'S LOOK EAST INSTEAD OF LOOKING WEST... THIS IS CHANGE AND THEY DON'T EVALUATE OR THINK DEEPLY ABOUT THE RESULTS FROM LOOKING EAST. THEY ONLY FELT UNCOMFORTABLE THAT HAVING BEEN LOOKING WEST ALL THE TIME THAT THEY SHOULD NOW LOOK EAST...THERE ARE MANY THINGS OR SLOGANS LIKE PRIVATISATION, MALAYSIA INCORPORATED ALL THESE CONSTITUTE CHANGE . WHEN THERE IS CHANGE THERE IS UNCERTAINTY AND WHEN THERE IS UNCERTAINTY THERE IS A TENDENCY TO CONDEMN THE PERSON WHO INITIATES THE CHANGE, BUT GIVEN TIME THE CHANGE HAS SHOWN RESULTS AND NOW ONCE YOU SEE RESULTS, YOU REVISE YOUR OPINION. SO THIS IS NOT A QUESTION OF MY POPULARITY OR NOT BEING POPULAR. THE FACT IS THAT ANY COMMUNITY WHEN SUBJECT TO RAPID RADICAL CHANGE WILL REACT IN THE SAME WAY... THERE IS NO DOUBT ABOUT THAT. SO FOR ME IF I CAN LAST I THINK I COULD BECOME POPULAR AGAIN. BUT OF COURSE, IF I HAD BEEN THROWN OUT DURING THE TIME WHEN I WAS UNPOPULAR, OF COURSE I WILL NEVER SEE THE RESULTS AT ALL. THERE WOULD BE NO RETURN OF POPULARITY.

Q: YOU MENTIONED SLOGANS LIKE MALAYSIA INCORPORATED OR BERSIH, CEKAP DAN AMANAH (CLEAN, EFFICIENT AND TRUSTWORTHY)...DO YOU THINK THAT YOU HAVE ACHIEVED SOME OF THE GOALS SET WITH WHAT HAVE BEEN ACHIEVED SO FAR?

DR M: I THINK IT IS OBVIOUS THAT WE HAVE ACHIEVED. THE ATTITUDE OF GOVERNMENT OFFICERS TOWARDS THE PRIVATE SECTOR HAS CHANGED BUT NOT A RADICAL CHANGE, NOT TO THE EXTENT THAT I WOULD LIKE TO SEE BUT THE FACT IS THAT THEY HAVE CHANGED. NOW THERE IS A GREATER UNDERSTANDING OF THE ROLE OF THE PRIVATE SECTOR AND ITS RELEVANCE TO THE PUBLIC SECTOR. BEFORE IT WAS A QUESTION OF +I DO THIS FOR YOU, YOU GET BUT WHAT DO I GET?+ BUT NOW WE UNDERSTAND WE DO GET BECAUSE IF YOU DO WELL THAT IS GOING TO PAY OUR SALARIES, OTHERWISE WHERE IS THE MONEY GOING TO COME FROM? OF COURSE, THE INDIVIDUAL HIMSELF DOESN'T GET A SHARE IN WHATEVER HE APPROVES. BUT HE KNOWS THAT WHATEVER HE DOES TO FACILITATE BUSINESS IN THE END WILL BENEFIT HIM, SO THERE IS THAT CHANGE. I THINK THAT IT IS NOT FULLY REALISED.

PRIVATISATION ... WE HAVE SEEN HOW THE PRIVATISED AGENCIES HAVE NOW DONE MUCH BETTER. THEY ARE NO LONGER A BURDEN TO THE GOVERNMENT, INSTEAD THEY HAVE BEEN ABLE TO GIVE THEIR WORKERS BETTER WAGES, EVEN BONUS WHICH SHOULD NOT HAVE BEEN POSSIBLE UNDER THE GOVERNMENT... THE EFFICIENCY IS BETTER, THEY WORK MUCH FASTER, THAT AGAIN HAS SUCCEEDED. IN TERMS OF BERSIH, CEKAP DAN AMANAH, WE HAVE FLUSHED OUT SOME PEOPLE WHO HAVE NOT BEEN ADHERING TO THIS PRINCIPLE. GOVERNMENT OFFICERS ARE NOW MORE EASILY IDENTIFIED... THEY HAVE TO WEAR THEIR NAME TAGS. OF COURSE THERE ARE ABUSES WITH REGARD TO TIME AND ALL THAT BUT I THINK ON THE WHOLE THERE HAVE BEEN VERY CLEAR RESULTS.

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Q: DESPITE THE FACT THAT MALAYSIA HAS CONCRETE POTENTIALS AND THE FULL POTENTIALS HAVE NOT BEEN EXPLOITED, BUT WITH GROWING PROTECTIONISM AND GROWING REGIONAL BLOCS, THESE POTENTIALS ARE GOING TO BE RESTRAINED IF WE DON'T DO SOMETHING ABOUT IT. SO WHAT CAN MALAYSIA DO TO OVERCOME THESE CONSTRAINTS ?

DR M: OUR SLIGHTLY HIGHER PROFILE INTERNATIONALLY IS NECESSARY IN ORDER TO PUT ACROSS OUR VIEWS. WE FEEL THAT WE CAN CONTRIBUTE TO THE ARGUMENTS TO REDUCE PROTECTIONISM. WE MUST ADMIT THAT OUR APPROACH IS AGGRESSIVE. FOR EXAMPLE, THE ENVIRONMENT NOW IS BEING MADE AN INSTRUMENT OF PROTECTIONISM. WE HAVE TO EXPOSE IT. AND WHEN WE POINT OUT THAT WE ARE NOT THE CULPRIT, IN FACT THE DEVELOPED COUNTRIES ARE THE CULPRIT, THIS TO A CERTAIN EXTENT HAS REDUCED THE OUTRIGHT CONDEMNATION OF THE DEVELOPING COUNTRIES AS THE CULPRIT FOR POLLUTING THE ENVIRONMENT. WE RAISED THE MATTER ON ANTARCTICA FOR EXAMPLE. WE ARE THE FIRST TO RAISE (THE ISSUE OF) ANTARCTICA ... OF COURSE WE WERE TOLD TO SHUT UP BY THE POWERFUL COUNTRIES BUT NOW THEY HAVE COME AROUND TO OUR VIEWS THAT YOU SHOULDN'T DO ANY MINING AT ANTARCTICA WHICH WE HAVE BEEN SAYING ALL THE TIME. IT DOESN'T MATTER THAT WE DON'T GET THE CREDIT FOR THAT. THE FACT IS THAT OUR VIEWS HAVE NOW BECOME RESPECTABLE. SO BY DOING THIS WE CAN DIVERT THE KIND OF ACCUSATION DIRECTED AT US AND GAIN RESPECTABILITY SO THAT OUR VIEWS ON PROTECTIONISM ARE TAKEN MORE SERIOUSLY.

Q: WOULD YOU ENVISAGE ENVIRONMENTAL ISSUES TO BE A DETERRENT TO GLOBAL GROWTH AND WOULD THE RECOGNITION OF ENVIRONMENTAL ISSUES LEAD TO A BETTER UTILISATION OF GLOBAL RESOURCES. WHAT DO YOU THINK WOULD BE MALAYSIA'S ROLE?

DR M: IF IT IS APPLIED EVENLY TO EVERYBODY, IT WILL NOT RESTRICT GLOBAL GROWTH BECAUSE, FOR EXAMPLE, IN ORDER TO REDUCE POLLUTION IN DEVELOPED COUNTRIES THEN SOME OF THE ACTIVITIES WOULD HAVE TO BE SHIFTED ELSEWHERE AND ONCE YOU SHIFT YOU ARE GOING TO USE NEW TECHNOLOGY AND THAT WILL REDUCE POLLUTION. LET'S TAKE FOR EXAMPLE THE RELEASE OF CFC (CHLORO-FLUOROCARBON). RELEASE OF CFC IS DUE TO A DESIRE TO HAVE EVERYTHING TOO CONVENIENT. BEFORE CFC, YOU CAN ALWAYS USE A RUBBER BULB IN ORDER TO SPRAY YOUR HAIR BUT BECAUSE THEY HAVE CFC THEY THINK THAT JUST TO USE A FOREFINGER IS ALL THAT THEY NEED TO DO. BUT WE HAVE NOW PRODUCED A RUBBER BULB THAT FUNCTIONS AS WELL. THAT MEANS THAT WE ARE CONSCIOUS ABOUT THE ENVIRONMENT. THEY WILL HAVE TO BUY MORE RUBBER AND INCREASE TRADE AND THEY HAVE TO REDUCE THE USAGE OF SOME OF THEIR OWN PRODUCTS. THERE MUST BE GREATER TRADE BETWEEN THE COUNTRIES OF THE WORLD AND SINCE THE LIMITATION IS GOING TO BE SPREAD ALL AROUND, EVERYBODY WILL HAVE TO PAY A HIGHER PRICE AND THAT IS ALL. SO THERE WILL REALLY BE NO GREAT DIMINUTION OF TRADE PROVIDED IT IS EVENLY APPLIED. THERE WILL BE IF THEY START SAYING THAT DON'T BUY TROPICAL TIMBER BUT THAT IS BECAUSE THEY WANT TO SELL THEIR OWN TIMBER... WE'LL HAVE TO POINT OUT TO THEM THAT IS HYPOCRISY AND NOT ENVIRONMENT AT ALL... CANADA, FOR EXAMPLE SELLS US\$20 BILLION WORTH OF TIMBER A YEAR. NOW OUR TOTAL EXPORT TRADE A YEAR IS ABOUT THAT AMOUNT... THAT INCLUDES RUBBER, PALM OIL, TIN, ELECTRONICS, EVERYTHING PUT TOGETHER IS ABOUT US\$20 BILLION. SO WHO IS ACTUALLY CUTTING DOWN TIMBER? THESE ARE FACTS THAT NEED TO BE EXPOSED AND ONCE WE EXPOSE, I THINK WE WILL BE ABLE TO CONTINUE OUR GROWTH.

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Q: DATUK SERI, BACK TO THE QUESTION OF EFFICIENCY OF THE CIVIL SERVICE. IT TOOK US A VERY LONG TIME TO MAKE THE ONE STOP-AGENCY WORK. APPARENTLY NOW IT IS WORKING VERY WELL. WHAT IS WORRYING NOW IS THAT DATUK SERI RAFIDAH AZIZ (TRADE AND INDUSTRY MINISTER) HAS SAID IT IS THE STATE GOVERNMENTS WHICH ARE NOT MOVING FAST ENOUGH. SO WHAT DO YOU SAY TO THAT ?

DR M: WELL, STATE GOVERNMENTS USUALLY LAG BEHIND. I DON'T THINK THAT IS SOMETHING WE SHOULD OVER-REACT TO. WE CAN GET THEM TO COME AROUND. WE MUST EXPECT THAT STATE GOVERNMENTS ARE USUALLY LESS SOPHISTICATED THAN THE FEDERAL GOVERNMENT. WE HAVE THE BENEFIT OF THE BEST PERSONNEL THAT WE CAN GET...IN TIME THEY WILL COME AROUND. EVEN THOUGH THEY MAY NOT BE ABLE TO ESTABLISH THE ONE-STOP AGENCY AT THE MOMENT, THEY HAVE CERTAINLY IMPROVED THEIR PERFORMANCE. YOU SEE THE ACTIVITIES OF THE VARIOUS MENTERIS BESAR AND CHIEF MINISTERS, YOU WILL SEE THAT THEY ARE WORKING VERY HARD. YOU CAN SEE THE DEVELOPMENT WHICH IS ENTIRELY THE RESULT OF THE STATE GOVERNMENT'S EFFORTS. THEY ARE DOING WELL, MUCH BETTER THAN BEFORE. BUT WE CAN'T PENALISE THEM FOR JUST ONE CASE OF NOT BEING ABLE TO SET UP THE ONE-STOP AGENCY. THEY WILL IMPROVE AND WE WILL WORK WITH THEM TO MAKE SURE THAT THEY IMPROVE.

Q: DATUK SERI, ON THE INTERNATIONAL SCENE, THE UNITED STATES HAS EXPRESSED CONCERN WITH THE WAY MALAYSIA IS MOVING ITS FOREIGN RESERVES. YOU HAVE COMPLAINED THAT THE G-7 (THE GROUP OF INDUSTRIALISED NATIONS) GET TOGETHER TO DECIDE ON CURRENCY AND EXCHANGE RATES. DO YOU WISH TO COMMENT ON THIS?

DR M: WE ARE VERY SMALL PLAYERS AND FOR A HUGE COUNTRY LIKE AMERICA WHICH HAS A DEFICIT OF US\$250 BILLION TO COMMENT ON A COUNTRY LIKE MALAYSIA BUYING AND SELLING CURRENCY I THINK IS QUITE DIFFICULT TO UNDERSTAND THE RATIONALE AND THE APPRECIATION OF THE PROPORTION OF THINGS. WE ARE NOT BIG PLAYERS IN THE WORLD CURRENCY MARKET. WE ARE NOT GOING TO DESTABILISE THE WORLD. ON THE OTHER HAND, THE WORLD CAN DESTABILISE US ANY MOMENT. IT TAKES JUST ONE BANK TO DUMP ON THE MARKET M\$100 MILLION AND OUR CURRENCY DEPRECIATES AND WHEN OUR CURRENCY DEPRECIATES OUR DEBTS APPRECIATE. AT THE TIME WHEN THE BANKS DID THIS, NOBODY COMPLAINED EXCEPT US AND WE ARE A VOICE IN THE WILDERNESS. I THINK THERE IS LACK OF APPRECIATION OF PROPORTION HERE. SURELY WE HAVE THE RIGHT TO PROTECT OUR OWN CURRENCY. WE WILL BE QUITE WILLING TO STOP IT IF THEY STOP FIDDLING AROUND WITH OUR CURRENCY. FOR EXAMPLE, WHEN THEY RAISE THE YEN TO DOUBLE ITS VALUE WHICH IN TURN DOUBLED OUR DEBTS, WHY WAS THERE NO CONSULTATION WITH US? IT IS A VERY BIG THING FOR US BUT OUR BUYING AND SELLING CURRENCY IS A VERY SMALL THING IN TERMS OF THE HUNDREDS OF BILLION OF TRANSACTIONS GOING ON EVERYDAY IN THE WORLD.

Q: DOES IT SUGGEST THAT WE ARE THE ONLY ONE DOING IT?

DR M: I DON'T KNOW WHETHER WE ARE THE ONLY ONE. BUT I THINK ANY COUNTRY SHOULD BE DOING IT IN ORDER TO PROTECT ITS OWN CURRENCY. OF COURSE, SOME DEVELOPING COUNTRIES MAY NOT HAVE THE CAPACITY TO DO THAT. IF YOU HAVE THE CAPACITY TO PROTECT YOUR CURRENCY AGAINST MANIPULATION BY OTHER COUNTRIES, ARE WE TO BE DEPRIVED OF THAT RIGHT TO PROTECT OURSELVES?

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Q: DATUK SERI, FOLLOWING THE COLLAPSE OF COMMUNISM ALMOST ALL OVER THE WORLD, NOW THE +IN+ THING SO TO SAY IS DEMOCRACY. SO HOW DO YOU FORESEE IN 50 YEARS' TIME OR EVEN LESS, SOME PEOPLE ARE CONVINCED THAT ISLAM WILL BE THE IDEOLOGY. CAN WE SHARE YOUR THOUGHTS ON THIS?

DR M: WELL, IN THE FIRST PLACE THE EXPECTATION THAT BECAUSE A COUNTRY IS DEMOCRATIC THEREFORE IT IS GOING TO PROSPER IS NAIVE. IT'S NOT AS EASY TO MANAGE A DEMOCRACY, IT'S PERHAPS EASIER TO MANAGE AN AUTOCRACY. THERE WILL BE SO MUCH POLITICAL DISRUPTION THAT IT IS NOT EASY TO ACHIEVE ECONOMIC GROWTH. LET'S TAKE RUSSIA FOR EXAMPLE, FOR 70 YEARS IT HAS HAD NO PRIVATE ENTREPRENEURSHIP, IT HAS HAD NO PRIVATE MANAGERS, THEIR CAPACITY TO MANAGE IN A FREE MARKET SYSTEM IS EXTREMELY LIMITED BECAUSE THEY HAVE NO EXPERIENCE. THEREFORE WHILE THERE MAY BE POLITICAL FREEDOM, THE ECONOMY MAY JUST FAIL TO BRING WHAT THE PEOPLE ARE EXPECTING AND THAT MAY CAUSE SOME UPHEAVAL UNLESS OF COURSE THE WEST TAKES A MUCH MORE POSITIVE VIEW. AT THE MOMENT THE WEST TENDS TO GLOAT OVER THEIR VICTORY AND THEY ARE SO HAPPY THAT NOT ONLY THAT THE COMMUNIST SYSTEM HAS FAILED, THEY ARE HAPPY TO SEE ALL THESE COMMUNIST COUNTRIES GOING THROUGH A VERY CRITICAL PERIOD ... BUT THIS KIND OF ATTITUDE IS WRONG. THE WEST SHOULD TRY AND HELP AND BE SYMPATHETIC AND APPRECIATE THE FACT THAT THESE PEOPLE ARE NOT GOING TO RECOVER THAT EASILY...IT WILL TAKE THEM 20 OR 30 YEARS BEFORE THEY CAN RESTORE A FREE MARKET SYSTEM WHERE THEY NEED ENTREPRENEURS, MANAGERS AND ALL KINDS OF SKILLS WHICH A FREE MARKET SYSTEM NEEDS IN ORDER TO PROSPER. WE ARE GOING TO SEE A PERIOD OF UPHEAVALS.

NOW WHETHER ISLAM WOULD BE THE IDEOLOGY OR RELIGION THAT IS GOING TO SAVE THE WORLD OR NOT DEPENDS VERY MUCH UPON MUSLIMS. UNFORTUNATELY AT THE MOMENT MUSLIM COUNTRIES DO NOT SEEM TO BE VERY GOOD EXAMPLES. IT'S ONE THING TO SAY THAT ISLAM IS GOOD, IT'S ANOTHER THING TO SAY THAT PEOPLE OF ISLAMIC FAITH ARE GOOD. THEY HAVE SHOWN THAT THEY ARE QUARRELSOME, INTOLERANT, THEY FIGHT AGAINST EACH OTHER, THEY MISINTERPRET THEIR OWN RELIGION AND GENERALLY SPEAKING, THEY ARE NOT GOOD PRACTITIONERS OF ISLAM AND THEREFORE THEY ARE NOT GOOD EXAMPLES. AND IF THEY ARE NOT GOOD EXAMPLES, HOW ARE THEY GOING TO BE A MODEL ON HOW A COUNTRY SHOULD BE RUN PROSPEROUSLY. LET US NOT KID OURSELVES. WE WOULD LIKE THAT BUT MOST MUSLIMS DON'T PRACTISE WHAT THEY PREACH.

Q: DATUK SERI, YOU SAID JUST NOW THAT THE DEMOCRATISATION OF EASTERN EUROPE WILL LEAD TO A PERIOD OF UPHEAVAL OF UP TO 20 YEARS PERHAPS...IS THERE A RISK THAT THIS UPHEAVAL MAY EVEN RENEW THE COLD WAR AND EVEN SOMETHING WORSE THAN THAT?

DR M: THERE IS A POSSIBILITY THAT IT MIGHT GO BACK TO AUTHORITARIAN RULE. YOU KNOW THAT IT'S ALL VERY FINE TO SAY THAT PEOPLE'S POWER HAS RESTORED DEMOCRACY BUT PEOPLE ARE NOT SINGLE-MINDED, THEY HAVE GOT DIFFERENT VIEWS ABOUT HOW THINGS SHOULD BE DONE AND THEY ARE GOING TO BE DIVIDED ONCE THEY HAVE OVERTHROWN THE COMMUNIST REGIME. THEN THEY ARE GOING TO BE DIVIDED AMONG THEMSELVES..THEY ARE GOING TO FIGHT AMONG EACH OTHER AND IF THEY ARE NOT ABLE TO PROVIDE A STABLE GOVERNMENT, THEN THERE IS AN EXCUSE EITHER FOR THE MILITARY OR THE DIE-HARD COMMUNISTS TO MAKE A COMEBACK. THEY WILL GUARANTEE STABILITY...OF COURSE AT A PRICE... AND SINCE THE OTHERS ARE NOT CAPABLE OF LOOKING AFTER SECURITY THESE PEOPLE MIGHT JUST BE ABLE TO SEIZE POWER BY FORCE.

Q: DO YOU THINK THAT THE WEST, THE AMERICAN WEST REALLY UNDERSTANDS THIS?

DR M: I DON'T THINK SO. I HONESTLY DON'T THINK SO. MY VIEW IS THAT THE WEST'S APPRECIATION OF FOREIGN PROBLEMS IS NO BETTER THAN THE FORMER COLONIAL POWERS. THE KIND OF SOLUTIONS THAT THE RUSSIANS HAVE FOR AFGHANISTAN...MOVING INTO AFGHANISTAN IN ORDER TO INSTALL A FRIENDLY GOVERNMENT OR THE VIETNAMESE MOVE INTO CAMBODIA IS NOT EXCLUSIVE TO THE COMMUNIST COUNTRIES ALONE.

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Q: DATUK SERI, TURNING TO THE NEW ECONOMIC POLICY....THE NEP HAS GIVEN BIRTH TO A GROUP OF MALAY PROFESSIONALS AND A NUMBER OF MALAY MILLIONAIRES. BUT IT HAS FAILED TO CREATE MALAY ENTREPRENEURS AND INDUSTRIALISTS. WHAT WE NEED NOW IS A STRONG MALAY CLASS OF ENTREPRENEURS AND INDUSTRIALISTS. AFTER GIVING SO MUCH HELP AND SUBSIDIES, DO YOU HAVE ANYTHING IN MIND AS TO HOW TO CREATE THIS GROUP?

DR M: I THINK IN 20 YEARS, TAKING THE RATE OF GROWTH OF MANY COUNTRIES, THE NEP HAS DONE EXTREMELY WELL. IF YOU TAKE INTO CONSIDERATION THAT THE RATE OF GROWTH OF 10 PER CENT FOR A COUNTRY IS A VERY HIGH ONE. IN THE CASE OF THE NEP, THE RATE OF GROWTH OF THE BUMIPUTRAS FROM ONE PERCENT TO 19 PERCENT OR 20 PERCENT IN 20 YEARS REPRESENTS A RATE OF 2000 PERCENT OVER A PERIOD OF 20 YEARS OR ROUGHLY 100 PERCENT A YEAR AND THAT IS CUMULATIVE..GEOMETRICAL. IN THAT SENSE IT IS A SUCCESS. THERE ARE OTHER ASPECTS OF THE NEP WHICH BECAUSE THERE ARE NOT TOO CONTROVERSIAL, WE NEVER TALK ABOUT THEM. FOR EXAMPLE, WE ARE ABLE TO REDUCE POVERTY AND THAT IS A GREAT SUCECESS ALSO. IF WE TAKE ANY OTHER COUNTRY...THEY HAVE NOT BEEN ABLE TO ACHIEVE THE KIND OF ACHIEVEMENT WE HAVE ATTAINED WITH THE NEP. I SAY THIS QUITE OPENLY. MAKE A COMPARISON BY ALL MEANS WITH EVERY COUNTRY INCLUDING THE DEVELOPED COUNTRIES AND YOU'LL FIND THAT THE REDUCTION IN POVERTY IS VERY HIGH. THEN THERE IS THE OTHER PART OF THE NEP TO UPGRADE THE SKILLS OF BUMIPUTERAS THROUGH GIVING THEM EDUCATION, SCHOLARSHIPS...THERE AGAIN WE HAVE DONE EXTREMELY WELL ... NOT UP TO TARGET BUT THE TARGET WAS I THINK VERY VERY HIGH... 30 PERCENT IN 1990 IS NOT 30 PERCENT IN 1970 BECAUSE THERE IS ALL THE TIME THE GROWTH OF 30 PERCENT OF A GROWTH RATE OF EIGHT PERCENT A YEAR. THAT IS A VERY BIG GROWTH BUT I MUST ADMIT I'M DISAPPOINTED WITH ATTITUDES. THE ATTITUDES OF BUMIPUTERAS WHO SAW IN THE NEP A MEANS OF GETTING RICH QUICK, NOT OF GETTING SKILLS. THEY ARE QUITE WILLING TO SELL THEIR RIGHTS UNDER THE NEP IN ORDER TO GET IMMEDIATE GAINS. SELLING THEIR NAMES, LICENCES. THEY THINK THAT THIS IS IS WHAT THE NEP WANTS THEM TO DO...IT IS OF COURSE WRONG. THEY ARE ACTUALLY DAMAGING THEMSELVES. I'M AFRAID HERE WE CANNOT BLAME JUST THE BUMIPUTERAS, WE HAVE TO BLAME THE GOVERNMENT ALSO FOR BEING TOLERANT. WE DO NOT TAKE ACTION FOR EXAMPLE, WHEN THE BUMIPUTERA SELL HIS LICENCE, WE ALLOW THAT OR WHEN HE SELLS HIS CONTRACT... WE ALLOW THAT OR WHEN THE CONTRACT IS GIVEN WE GO TO THE SITE WE FIND THAT NOT A SINGLE BUMIPUTERA IS EITHER WORKING AS LABOURERS OR MANAGERS OR SUPERVISORS. WE JUST CLOSE OUR EYE, (FOR) THAT THE GOVERNMENT IS WRONG. THEN THEY ARE NON-BUMIPUTERAS WHO ARE ONLY TOO WILLING TO JUST PAY OFF THE BUMIPUTERAS SO THAT THEY DON'T GET INVOLVED IN THE ACTUAL WORK. AS A RESULT, THE BUMIPUTERAS THEMSELVES ACQUIRE NO SKILLS WHATSOEVER. IN ACTUAL FACT WHAT THEY ARE DOING IS TO DAMAGE THEIR OWN CAPACITY. HERE THEY ARE GIVEN A CHANCE TO LEARN HOW TO MANAGE BUT BY GIVING THE MANAGEMENT AND GETTING SOME MONEY FOR TURNING OVER LICENCES AND ALL THAT THEY HAVE NOW DEPRIVED THEMSELVES OF THE OPPORTUNITY OF HOW TO MANAGE, TO LEARN GOOD WORK ETHICS AND AS A RESULT THEY CANNOT SUCCEED IF LEFT ON THEIR OWN, THEY STILL HAVE TO USE CRUTCHES, GOVERNMENT CRUTCHES. JUST A SIMPLE THING, LIKE A TAXI LICENCE...WE HAVE GIVEN PRACTICALLY ALL THE TAXI LICENCES TO BUMIPUTERAS BUT IF YOU GET INTO A TAXI IN KUALA LUMPOUR, IT IS VERY DIFFICULT TO FIND ONE THAT IS DRIVEN BY BUMIPUTERA. WHAT ACTUALLY HAPPENS IS THAT THE MOMENT THEY GET THE LICENCE, THEY SELL IT OFF. THEY DON'T EVEN KNOW HOW TO BUY THE TAXI, THEY DON'T KNOW HOW TO OPERATE OR MAINTAIN THE TAXI. THEY DON'T KNOW HOW TO MANAGE THE TAXI OR CONTACT THE DRIVERS OR HOW TO MANAGE THE DRIVERS..IN OTHER WORDS THEY ARE TOTALLY UNSKILLED. ALTHOUGH THEY MAKE SOME MONEY AND THEIR ANSWER WHEN WE TOLD THEM THAT THEY ARE DOING THIS ISWELL WHAT DOES IT MATTER AT LEAST WE GOT SOME MONEY, GIVE US MORE TAXI LICENCES. OF COURSE THERE IS A BIG ROW BECAUSE THE GOVERNMENT DECIDES NOW THAT THERE SHOULD HAVE A COMPANY SO THAT WE CAN OVERSEE THE THINGS THAT THEY DO, IF THEY ARE NOT DOING THE RIGHT THING, WE CAN CORRECT IT BUT WE CAN'T BE CHASING INDIVIDUAL BUMIPUTERAS.

Q: DATUK SERI, WILL THE GOVERNMENT BE MORE STRICT NOW IN TERMS OF SUPERVISING THE BUMIPUTERAS?

DR M: YES, THE STRESS SHOULD NOW BE ON TURNING OUT GOOD BUMIPUTERA MANAGERS. PEOPLE WHO ARE ACTUALLY INVOLVED... EVEN WE ENCOURAGED JOINT VENTURES BETWEEN BUMIPUTERAS AND NON-BUMIPUTERAS, THE SO-CALLED ALI-BABA. BUT WE WANT ALI TO WORK AND IF THERE IS NO EVIDENCE THAT ALI IS WORKING THEN WE WILL GIVE THE LICENCE TO THE BABA. IF HE WANTS THE LICENCE FOR HIMSELF HE MUST WORK AND SHOW EVIDENCE OF WORKING... HE MUST NEGOTIATE, HE MUST PUT UP CAPITAL, IF HE HAS NO CAPITAL THEN HE SHOULD PUT UP THE CAPITAL FROM WHATEVER PROFIT HE MAKES. HE MUST BE PREPARED TO LOSE MONEY AND NOT TO MAKE MONEY INITIALLY. TO SUFFER FIRST. WE ARE SLOWLY COMING AROUND TO THIS, THIS IS WHY WE HAVE STARTED UNIVERSITIES THAT ARE CONCERNED ALMOST EXCLUSIVELY WITH MANAGEMENT. WE THINK THAT BUMIPUTERAS HAVE GOT NO MANAGEMENT SKILLS..THEY SHOULD HAVE LEARNED FROM EXPERIENCE BUT SINCE THEY HAVE NOT, WE ARE GOING TO TEACH THEM IN THE UNIVERSITIES. OF COURSE THIS IS UNPOPULAR BUT WE HAVE A RESPONSIBILITY. FOR HOW LONG WILL WE BE NEEDED TO SUPPORT THEM THE WAY WE ARE SUPPORTING THEM NOW?

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Q: DATUK SERI, DESPITE THE FACT THAT WE HAVE REDUCED THE POVERTY LEVEL EVEN IF YOU COMPARE WITH A LOT OF DEVELOPED COUNTRIES, BUT FIGURES IN THE MID-TERM REVIEW OF THE FIFTH MALAYSIA PLAN SHOW THAT POVERTY LEVEL IN OIL-RICH STATES LIKE TERENGGANU, SABAH AND SARAWAK HAVE ACTUALLY DETERIORATED WHEREAS IT HAS IMPROVED DRAMATICALLY IN STATES LIKE PERLIS AND KEDAH WHICH DON'T EVEN HAVE THE RESOURCES. WHY THIS DICHOTOMY?

DR M: PARTLY BECAUSE OF MIGRATION. THE RICH KELANTANESE AND TERENGGANU PEOPLE ARE IN KUALA LUMPUR OR IN SINGAPORE OR ELSEWHERE. MOST OF THE PEOPLE WHO ARE EARNING A LOT OF MONEY IN CHOW KIT SELLING GRILLED FISH (IKAN BAKAR) ARE FROM KELANTAN. WHAT ARE LEFT BEHIND ARE PEOPLE WHO ARE NOT ENTERPRISING ENOUGH AND THEREFORE THEY ARE POOR. BUT ACTUALLY THERE IS NO EXCUSE FOR POVERTY IN THIS COUNTRY. UNLESS YOU ARE COMPLETELY DISABLED NOBODY SHOULD BE POOR BECAUSE WE HAVE LAND, RESOURCES, EVEN JOBS. WHY DO YOU THINK THE INDONESIANS, FILIPINOS AND THE THAIS COME HERE. THEY COME HERE BECAUSE THERE IS MONEY TO BE MADE. THERE IS MONEY TO BE MADE BECAUSE WE ARE NOT INTERESTED IN MAKING THAT KIND OF MONEY. THAT'S WHY ANWAR (ENCIK ANWAR IBRAHIM, THE EDUCATION MINISTER) WAS SAYING ABOUT GRADUATES WHO ARE NOT WILLING TO WORK SIMPLY BECAUSE HE GETS SLIGHTLY LESS THAN HIS CLASSMATES. I MEAN THAT KIND OF ATTITUDE WILL RESULT IN UNEMPLOYMENT.

Q: BUT THE POVERTY IN THIS CASE IS VERY INTERESTING. WHY IS THAT THE RICH STATES OF SABAH, SARAWAK AND TERENGGANU HAVE HIGHER POVERTY?

DR M: I THINK THAT'S IS ATTITUDINAL AND UNWILLINGNESS TO WORK. FOR EXAMPLE, FELDA SCHEMES IN SABAH AND SARAWAK WILL NOT ATTRACT ANY (LOCAL) WORKERS AT ALL TO PREPARE FOR THE SETTLERS TO COME IN. AS YOU KNOW OUR SYSTEM IS THAT UNTIL THE SCHEME BEARS FRUITS, NO SETTLERS COME IN. BUT BEFORE THAT OBVIOUSLY YOU HAVE TO OPEN UP THE LAND AND EVERYTHING ELSE AND THAT IS NOT DONE BY SABAHANS BUT IT'S DONE BY IMMIGRANTS, THE FILIPINOS AND INDONESIANS. NOW IF THE SABAHAN WERE TO GO THERE AND WORK, THERE WOULD BE NO FILIPINOS OR INDONESIANS AND THE SABAHANS WOULD HAVE THE MONEY BUT THEY ARE NOT WILLING. WE HAVE ASKED ABOUT THIS WHETHER THEY CAN MOVE IN AND START WORKING RIGHT FROM DAY ONE. THEY SHOULD BE INVOLVED IN CUTTING DOWN THE TREES, CLEARING THE LAND AND DRIVING THE TRACTORS, PLANTING AND ALL THAT, THEY WILL EARN MONEY DEFINITELY.

Q: BUT IS IT PARTLY BECAUSE OF THE TIMBER POLICIES OF THE TWO STATES (SABAH AND SARAWAK) WHERE TIMBER CONCESSIONS ARE MAINLY IN THE HANDS OF A DOZEN OR SO PEOPLE IN A MULTI-BILLION RINGGIT BUSINESS AND THE PEOPLE AS A WHOLE CANNOT PARTICIPATE IN THE INDUSTRY EXCEPT BY BECOMING LOGGING WORKERS?

DR M: WHETHER THE TIMBER INDUSTRY BELONGS TO ONE PERSON, OR 10 PERSONS OR 100 PERSONS, IF PEOPLE ARE NOT WILLING TO WORK THEN THEY ARE NOT GOING TO MAKE THE MONEY. THE WHOLE TIMBER INDUSTRY COULD BE STATE-OWNED FOR EXAMPLE, YET THE PEOPLE WOULD STILL BE POOR IF THEY DON'T WORK. SO THAT IS ANOTHER MATTER WHETHER THERE IS EVEN DISTRIBUTION OF WEALTH AT THAT LEVEL. BUT WHAT WE ARE TALKING ABOUT IS POVERTY WHICH IS THE LOWER LEVEL. THERE SHOULD BE NO POVERTY IF PEOPLE ARE WILLING TO WORK.

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Q: DATUK SERI, THE ECONOMY HAS BROADENED TREMENDOUSLY OVER THE LAST ONE DECADE. WE HAVE SEEN THE ELECTRONICS INDUSTRY NOW BECOMING THE NO.1. DON'T YOU THINK THAT PERHAPS NOW IS THE TIME FOR US TO REALLY PUT FORWARD THIS POLICY OF VALUE-ADDED, AND THE SAME GOES WITH TIMBER. WE HAVE BEEN BANNING THE EXPORTS OF LOGS FROM THE PENINSULA FOR A LONG LONG TIME. IT HASN'T DONE US MUCH DAMAGE. CAN'T WE APPLY THE SAME TO SABAH AND SARAWAK?

DR M: THERE IS THIS DIFFICULTY WHICH IS RELATED TO WHAT WE CALL THE STATE LEASE AND THE FEDERAL LEASE. NOW FOR LOGS EXPORTED FROM THE STATES, THE STATES GAIN ROYALTY FROM THE LOGS WHICH AMOUNTS TO ALMOST AN EXPORT DUTY. THEREFORE IF THE TIMBER IS EXPORTED AS LOGS, THE REVENUE GOES TO THE STATES. IF THE TIMBER IS CONVERTED TO FURNITURE OR ANY OTHER VALUE-ADDED PRODUCT, THE STATES DO NOT GET ROYALTY BECAUSE THERE IS NO EXPORT OF LOGS. THE FEDERAL GOVERNMENT GETS INCOME TAX AND OTHER TAXES. SO THE VIEW OF THE STATES IS THAT THEY SHOULD EXPORT LOGS SO THAT THEY CAN MAKE THE MONEY. THE VIEW OF THE FEDERAL GOVERNMENT IS THAT WE SHOULD EXPORT FURNITURE, ETC. BECAUSE WE GET THE MONEY. SO THERE IS THIS CONFLICT, SO THIS CONFLICT HAS FIRSTLY GOT TO BE RESOLVED. SECONDLY, THE STATE GOVERNMENTS ARE QUITE WILLING, SABAH AND SARAWAK ARE QUITE WILLING TO HAVE MORE TIMBER-BASED INDUSTRIES BUT THIS CANNOT BE DONE AT ONE GO. YOU CAN'T, SAY BAN THE LOGS TODAY. THAT WILL DEPRIVE THOUSANDS OF PEOPLE OF JOBS...FORGET ABOUT THE RICH WHO GET THE TIMBER LICENCES. UNLESS OF COURSE, THERE IS A TIMBER INDUSTRY WHICH CAN ABSORB THEM. SO WE WILL HAVE TO DO THIS SLOWLY, WE HAVE BEEN TRYING TO GET THE DEVELOPED COUNTRIES TO AGREE TO RELOCATE THEIR TIMBER INDUSTRIES INTO MALAYSIA. IN THAT WAY WE CAN EARN AS MUCH MONEY FROM A LESSER AMOUNT OF LOGGING WITHOUT LOSING THE JOB OPPORTUNITIES. AS AS YOU KNOW, THE DEVELOPED COUNTRIES WHILE SAYING THAT YOU SHOULDN'T CUT DOWN YOUR TIMBER THEY DON'T WANT TO IMPORT ANYTHING EXCEPT LOGS. THEY DO NOT WANT TO IMPORT OUR FINISHED PRODUCTS, THIS IS WHERE HYPOCRISY COMES IN. ON THE ONE HAND THEY SAY, DON'T CUT DOWN YOUR LOGS AND ON THE OTHER HAND, THEY DON'T ALLOW US TO EARN MONEY THROUGH MORE VALUE-ADDED.

Q: WHEN YOU SAY THAT DEVELOPED COUNTRIES NOT WANTING TO IMPORT FINISHED PRODUCTS... THERE'S BEEN A LOT OF CRITICISMS AGAINST JAPAN OF USING LOGS MAINLY FOR MOULDINGS OR NOT REALLY A USEFUL USAGE OF TIMBER OR TIMBER PRODUCTS. DO YOU THINK THAT THIS IS ONE REASON WHY DEVELOPED COUNTRIES ARE NOT THAT WILLING TO IMPORT THE FINISHED PRODUCTS?

DR M: I DON'T THINK SO. IT IS NOT COMPLETELY CORRECT TO SAY THAT. OF COURSE JAPAN MAY USE SOME OF THE TIMBER FOR MOULDINGS, THAT'S WHY THEY USE LAMINATED PLYWOOD FOR EXAMPLE BUT THAT IS VERY LOW VALUE-ADDED PRODUCT. WHAT IS HAPPENING IN JAPAN IS THAT THEY ARE AFRAID OF FIRES BECAUSE OF THE CLOSENESS OF THEIR HOUSES AND THEY ARE NOW BANNING THE USE OF TIMBER IN MAKING DOOR AND WINDOW FRAMES WHICH TO A CERTAIN EXTENT WOULD REDUCE THE CONSUMPTION OF TIMBER. THEY USE TIMBER FOR VERY VALUABLE ITEMS LIKE FURNITURE AND OTHER MUCH MORE VALUE ADDED PRODUCTS. BUT THEY ARE A BIG COUNTRY, THEY PRODUCE A LOT OF WOODEN PRODUCTS FOR EXPORT. SO IT IS NOT REALLY THE CONSUMPTION IN JAPAN ALONE, IT IS ALSO THE EXPORT.

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Q: YOU MENTION ABOUT THE CONFLICT BETWEEN THE FEDERAL AND STATE GOVERNMENTS IN TERMS OF REVENUE IN EXPORTS OF LOGS AS AGAINST THE EXPORT OF FINISHED PRODUCTS. WILL THERE BE A FORMULA BEING WORKED OUT TO PROVIDE A SORT OF INCENTIVE TO STATE GOVERNMENTS SO THAT THEY WILL ALSO WANT TO GO INTO VALUE-ADDED INDUSTRIES?

DR M: WE ARE WORKING ON IT...IT IS DIFFICULT TO MATCH THE AMOUNT THEY CAN EARN FROM THE EXPORTS OF LOGS AGAINST THE AMOUNT OF MONEY THE FEDERAL GOVERNMENT CAN ALLOCATE TO THEM FROM REVENUE EARNED FROM TIMBER-BASED INDUSTRIES.

Q: ABOUT UNEMPLOYMENT...THE GOVERNMENT ALLOCATES \$17 MILLION NEXT YEAR FOR THE TEMPORARY SERVICE SCHEME (SKIM KHIDMAT SEMENTARA) FOR UNEMPLOYED GRADUATES. IF YOU PUT ALL THESE UNEMPLOYED GRADUATES TO THE GOVERNMENT SECTOR, I DON'T THINK YOU CAN REALLY HELP THEM. WHY DON'T YOU GET THE PRIVATE SECTOR WHICH WOULD BE ABLE TO HELP THEM?

DR M: WE ARE DOING THAT. WE HAVE PEOPLE WITH SHELL, FOR EXAMPLE, ON THEIR RIGS. BUT WE ARE WILLING TO CONSIDER PUTTING THEM IN THE PRIVATE SECTOR. BUT ONE OF THE THINGS THAT HURTS US IS THAT SOME OF THESE PEOPLE CONSIDER THAT THEY ARE THERE MERELY TO KILL TIME, NOT TO LEARN ANYTHING, JUST TO KILL TIME. THEY WON'T LEARN, THEY WON'T DO ANYTHING, THEY ARE JUST WAITING FOR THE JOBS. AND I THINK \$400 (PAID TO EACH GRADUATE MONTHLY UNDER THE SCHEME) IS A BIG SUM OF MONEY IF YOU CONSIDER THAT THE AVERAGE WORKER GETS MUCH LESS THAN THAT, SO THE GOVERNMENT IS ACTUALLY DOING QUITE A LOT.

Q: PERHAPS WE SHOULD GIVE UP THIS IDEA OF JUST UNEMPLOYED GRADUATES. WHILE WE TALK OF UNEMPLOYED GRADUATES, I THINK IT IS ALSO OUR RESPONSIBILITY TO TALK OF STPM UNEMPLOYED, UNEMPLOYMENT IS UNEMPLOYMENT. IT HAPPENS TO BE THAT THEY ARE GRADUATES.....

DR M: TO BE VERY FRANK WITH YOU, THESE PEOPLE HAVE A LOT OF CAPACITY TO DO A LOT OF DAMAGE IF THEY ARE NOT LOOKED AFTER...AND I WILL STOP AT THAT.

Q: BUT IT'S BEEN MENTIONED THAT IT'S NOT SO MUCH ABOUT UNEMPLOYED GRADUATES BUT THE UNEMPLOYABLE GRADUATES... IN TERMS OF...IN INTERVIEWS ESPECIALLY BUMIPUTERAS WHO CANNOT SPEAK ENGLISH AND FOR THEM TO TRY TO WORK IN A COMMERCIAL ENVIRONMENT THEY NEED TO KNOW ENGLISH. BUT THE THING IS THAT THEIR COMMAND OF ENGLISH IS SO POOR AND WHEN THEY GO FOR AN INTERVIEW, INVARIABLY THEY WILL BE NOT BE SELECTED.

DR M: THAT IS THEIR CHOICE. THEY CAN'T BLAME ANYBODY. WE HAVE GIVEN THEM AN OPPORTUNITY TO LEARN, TO STUDY ENGLISH TO ACQUIRE A SKILL THAT IS USEFUL TO THEM BUT THEY THINK THAT IT IS NOT WORTHWHILE SO THEY CANNOT BLAME ANYBODY FOR THAT.

Q: BUT THESE PEOPLE WHO CAN'T SPEAK ENGLISH ARE VERY GOOD IN THE ISLAMIC RELIGION....

DR M: YOU CAN VERY VERY GOOD IN RELIGION BUT AT THE SAME YOU CAN SPEAK ENGLISH. THIS IS THE RESULT OF THOSE POLITICALLY-INCLINED PEOPLE WHO CAME AND TAUGHT ALL THE WRONG THINGS ABOUT ISLAM TO THEM. YOU SHOULD LEARN RELIGION, I'M NOT SAYING THAT YOU SHOULD NOT. I WAS IN SAUDI ARABIA RECENTLY AND WHAT THE ARABS ARE SAYING ABOUT THEIR PETROLEUM INDUSTRY IS... THIS IS GIVEN BY GOD TO YOU AND IT IS FOR YOU TO USE. IF YOU DON'T HAVE THE SKILL THEN YOU ARE DENYING WHAT GOD HAS GIVEN YOU. THIS IS WHAT THE ARABS ARE SAYING. THE PEOPLE WHO ARE DISCOURAGING OTHERS FROM LEARNING SKILLS ARE NOT THE ARABS BUT THOSE PEOPLE WHO ARE WEARING THE +JUBAH+ (THE LONG ROBE AS WORN BY ARABS). THESE ARE THE PEOPLE WHO ASK THE GIRLS NOT TO STUDY MEDICINE BUT INSTEAD TO MARRY THEM. AND WE ARE NOT WILLING TO SAY ANYTHING AGAINST THEM BECAUSE THEY WEAR JUBAH. THESE ARE PEOPLE WHO ARE INFLUENCING THE ENEMPLOYED GRADUATES. THEY GO ABROAD AND TELL THEIR STUDENTS...DON'T DO THIS, DON'T STUDY THIS.

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Q: DATUK SERI, YOU BECAME PM IN 1981 AT THE TIME WHEN THE COUNTRY WAS ON THE THROES OF ECONOMIC DOWNTURN WITH GLOBAL RECESSION. IN FACT, WE EVEN EXPERIENCED NEGATIVE GROWTH. BUT SINCE 1985 WE'VE BEEN ABLE TO TURN AROUND AND NOW EXPERIENCING HIGHER GROWTH. WHAT DO YOU ATTRIBUTE THIS TURNAROUND AND ARE YOU SATISFIED WITH THE CURRENT MANAGEMENT OF OUR ECONOMY?

DR M: THE ECONOMY OF A COUNTRY DEPENDS ON MANY FACTORS....SOME EXTERNAL, SOME INTERNAL, SOME DELIBERATE, SOME ACCIDENTAL. SO WE CANNOT SAY THERE IS ONE SINGLE CAUSE FOR THE TURNAROUNDA WHOLE SERIES OF FACTORS HAVE TO COME IN. ONE FACT THAT WE CANNOT DENY IS THAT THE EXTERNAL FACTOR. IF THE WORLD GOES INTO RECESSION, THE CHANCES ARE THAT WE WILL ALSO SUFFER RECESSION. BUT HOW DO YOU MANAGE THE RECESSION? WE HAVE TO UNDERSTAND WHAT IS IT THAT THE WORLD WANTS. IF THERE IS RECESSION WE HAVE TO MANAGE THE RECESSION. THAT IS WHY I HAVE ALWAYS ADVOCATED TO LOOK EAST, PARTICULARLY LOOKING AT JAPAN. JAPAN HAS GONE THROUGH MANY SHOCKS, THE OIL SHOCK, THE CURRENCY SHOCK OR ENDAKA, AND EVERYTIME THEY HAVE COME OUT OF IT STRONGER. JAPAN IS BOOMING NOW DESPITE THE FACT THAT THE YEN IS TWICE AS HIGH AS BEFORE, JAPAN IS STILL EXPORTING HUGE AMOUNT OF GOODS. IT'S THE QUESTION OF MANAGEMENT. IF YOUR COST IS HIGH, YOU SHOULD MANAGE AND YOU SHOULD NOT JUST APPEAL TO PEOPLE TO BUY HIGH COST PRODUCTS. YOU SHOULD BECOME MORE EFFICIENT. AND EFFICIENCY CAN BE IMPROVED ALL THE TIME, YOU CANNOT REACH ABSOLUTE DEGREE OF EFFICIENCY, NO MATTER HOW GOOD YOU ARE AT DOING SOMETHING, THERE IS ALWAYS A BETTER WAY TO DO IT. SO IF YOU ACCEPT THAT AND THEN YOUR ARE WILLING TO RE-EXAMINE WHAT IS IT THAT YOU ARE DOING, I'M SURE YOU WILL COME UP WITH VARIOUS SOLUTIONS. WE HAVE EXAMINED GOVERNMENT POLICIES, THE GOVERNMENT'S WAY OF FUNCTIONING, DECISION MACHINERY, WE HAVE EXAMINED EVERYTHING. AT THE SAME TIME WE HAVE TO BE ABLE TO ADMIT OUR MISTAKES, WE HAVE TO ACCEPT THAT SOMETIMES WE DO NOT KNOW HOW TO DO THINGS WELL. WE NEED OTHER PEOPLE'S HELP. IF YOU ARE TOO PROUD TO ASK FOR ADVICE, I THINK YOU'LL GET INTO A MESS. THAT IS WHY WE SLOWLY ACHIEVE A TURNAROUND, PARTLY, OF COURSE, THE WORLD HAS ACHIEVED A TURNAROUND ITSELF. BUT AS YOU MAY NOTICE, THE FACT THAT THE WORLD HAS RECOVERED ECONOMICALLY DOES NOT MEAN THAT EVERY COUNTRY HAS RECOVERED, THE LATIN AMERICAN COUNTRIES HAVE NOT, THE AFRICAN COUNTRIES HAVE NOT, ONLY THE COUNTRIES IN SOUTHEAST ASIA HAVE. AND THAT IS A QUESTION ON HOW YOU MANAGE TO COPE WITH THE DEPRESSION AND THE RECOVERY OF THE WORLD. WE HAVE TAKEN ADVANTAGE OF THE RECOVERY. IF WE ARE NOT EFFICIENT, WE WILL BE IN TROUBLE.

Q: DATUK SERI, GOING BACK TO THE EARLIER QUESTION ABOUT YOUR RISING AND DECLINING FORTUNES, NOW RISING AGAIN. ONE OF US HERE CONTENDED THAT YOU ARE NOW BACK IN POPULARITY. I WOULD LIKE TO ASK A QUESTION. PEOPLE SAY THAT SINCE AFTER YOUR CORONARY BY-PASS OPERATION, YOU ARE A LOT FRIENDLIER PERSON. IS IT THE CASE THAT PREVIOUSLY YOU WERE NOT FRIENDLY AND NOW YOU ARE FRIENDLY?

DR M: (LAUGHTER). WELL, I HAVE BEEN TOLD THAT I WAS VERY UNFRIENDLY PERSON. EVEN BEFORE THE CORONARY OPERATION, I WAS TRYING TO CORRECT THIS IMPRESSION WHICH I THINK WAS UNJUSTIFIED. I AM NORMALLY A VERY FRIENDLY PERSON. BUT I DON'T HAVE A VERY FRIENDLY FACE, I DON'T SMILE THAT OFTEN. PEOPLE TELL ME THAT I DON'T SMILE, AND SO NOW I HAVE TO SMILE MORE OFTEN. I HAVE TO TRY AND GET RID OF MY PREOCCUPATION WITH SERIOUS MATTERS. I WILL HAVE TO RESERVE MY OWN TIME FOR THAT KIND OF THING. BUT CERTAINLY THE CORONARY OPERATION HAS GOT A VERY STRONG PSYCHOLOGICAL EFFECT ON ME AS IT HAS ON ANYBODY. IF YOU CONSIDER THAT DURING THE OPERATION, YOUR HEART ACTUALLY STOPS. THAT MEANS, TECHNICALLY YOU HAVE DIED BEFORE YOU RECOVER. THAT IS AN EXPERIENCE WHICH AFFECTS EVERYBODY. FROM WHAT I GATHER, THE DOCTORS TELL ME, ANYBODY WHO HAS GONE THROUGH THE OPERATION HAS GONE THROUGH A VERY TRAUMATIC EXPERIENCE AND IT SHOCKS HIM. USUALLY HE IS A CHANGED PERSON. MAYBE I'M CHANGED BECAUSE OF THAT.

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Q: QUITE RELATED TO YOUR OPERATION, EARLIER ON A LOT OF PEOPLE WERE HAVING A LOT OF SPECULATIONS ABOUT YOUR FUTURE, BUT RECENTLY PRIME MINISTER LEE KUAN YEW OF SINGAPORE GAVE AN INDICATION WHICH MANY PEOPLE THINK IS A PRECISE PREDICTION THAT YOU WILL BE THERE (IN POWER) FOR MANY MORE YEARS TO COME. DO YOU CARE TO COMMENT ON THIS?

DR M: I'LL BE HERE AS LONG FOR AS THE PEOPLE WANT ME. AND OF COURSE IT IS SUBJECT TO MY OWN ABILITY TO DELIVER THE GOODS. THE MOMENT I FEEL THAT I AM NO LONGER WANTED, I AM WILLING TO STEP DOWN. I DON'T WANT TO STAY A MOMENT LONGER THAN MY (ABILITY TO DELIVER THE GOODS)....

Q: I WOULD LIKE ASK ABOUT YOUR SUCCESSOR...THE CLOSENESS OF AGE BETWEEN YOU AND ENCIK GHAFAR BABA, MANY PEOPLE WONDER WHO WILL COME AFTER YOU?

DR M: AFTER ME IT SHOULD BE ENCIK GHAFAR. IF ENCIK GHAFAR HAS TO HAVE A SUCCESSOR, IT WILL BE LEFT ENTIRELY TO ENCIK GHAFAR BUT AS FAR AS I AM CONCERNED, I WOULD LIKE TO LET UMNO DECIDE, AS YOU KNOW WHEN I ASSUMED THE PRIME MINISTERSHIP I DID NOT APPOINT MY DEPUTY. I WAITED UNTIL THE UMNO ASSEMBLY WAS HELD IN ORDER TO CHOOSE THE DEPUTY PRESIDENT OF UMNO. AND THAT DEPUTY PRESIDENT BECAME THE DEPUTY PRIME MINISTER. I WOULD LIKE TO GO ALONG WITH THAT. I WOULD NOT LIKE TO IMPOSE MY WISHES ON THE PARTY AND THE NATION.

Q. DATUK SERI, CAN WE GO TO SOMETHING PERSONAL... WHEN YOU BECAME THE PM AND IN FACT YOU ARE PM FOR PRACTICALLY THE WHOLE DECADE OF THE 80'S, THERE HAVE BEEN A LOT OF UPS AND DOWNS, THE BUMIPUTRA MALAYSIA FINANCE (BMF) LOANS SCANDAL, CONSTITUTIONAL CRISIS, THE JUDICIAL CRISIS AND THE SPLIT WITHIN UMNO, ARISING FROM ALL THESE PROBLEMS, IN FACT THE DE-REGISTRATION OF UMNO IS STILL WITH US, IN TERMS OF UMNO AND SEMANGAT 46, WHAT WAS THE MOST CHALLENGING PROBLEM YOU HAD TO FACE DURING THE 80'S, AND IN RETROSPECT HOW DO YOU VIEW THEM NOW?

DR M: IF YOU ASK ME TO EVALUATE, THEN I WOULD SAY THE ATTEMPT TO CHANGE THE LEADERSHIP IN 1987 WAS THE MOST DESTRUCTIVE. AND I HAD SAID THIS EVEN BEFORE THE CONTEST TOOK PLACE. BECAUSE IT'S A DEPARTURE FROM UMNO TRADITION. I HAVE ALWAYS BELIEVED THAT YOU SHOULD STICK TO TRADITION, THAT YOU DON'T CHALLENGE AT THE HIGHEST LEVEL. BECAUSE OBVIOUSLY WHEN YOU CHALLENGE, IT MEANS THE PARTY MUST SPLIT. AS A CONSEQUENCE OF THAT CHALLENGE, THE SUPPORTERS OF THE CANDIDATE WHO LOSES CANNOT BE RECONCILED WITH THAT OF THE CANDIDATE WHO WINS. IF I HAD LOST IN THE ELECTION, I'M QUITE SURE THE PARTY WOULD FACE THE SAME TROUBLE, EXCEPT OF COURSE, I DON'T THINK THEY WOULD GO THE COURT, BUT THERE WOULD BE NO UNITY IN THE PARTY. SO THAT WAS THE MOST DESTRUCTIVE THING...THIS DEVIATION FROM PARTY PRACTICE. WHILE ONE SHOULD TALK ABOUT DEMOCRACY, BUT DEMOCRACY HAS GOT TO BE PRACTISED ALSO IN ACCORDANCE WITH THE TRADITION OF DEMOCRACY. PURE DEMOCRACY DOESN'T WORK. YOU KNOW, MERELY BECAUSE YOU CAN CONTEST, THEREFORE YOU CONTEST. IT WILL NOT WORK. WHY SHOULD THERE BE ONLY ONE OTHER CONTESTANT. SUPPOSING WE HAVE 100 OR 200 CONTESTANTS AND SUPPOSING THESE 100 OR 200 CONTESTANTS HAVE THEIR OWN SUBSTANTIAL SUPPORTERS, THE PARTY WILL BE SPLIT INTO 100 SMALL DIFFERENT PARTIES. IT WILL BE DEMOCRATIC BUT WOULD IT BRING ABOUT GOOD RESULTS? SO YOU HAVE WHAT IS KNOWN AS A TWO-PARTY SYSTEM WHICH IS AS DEMOCRATIC AS A MULTI-PARTY SYSTEM. EVEN IN THE SINGLE PARTY SYSTEM, WHERE THE DEMOCRACY WITHIN THE PARTY IS STILL DEMOCRATIC. SO DEMOCRACY IS SOMETIMES INTERPRETED BY EVERYONE AS MEANING MERE ADHERENCE TO THE DEMOCRATIC PRINCIPLES WITHOUT ANY REGARD FOR TRADITION. TRADITION IS IMPORTANT.

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THAT IS WHY I KEEP ON SAYING THAT THERE SHOULD BE NO CONTEST. YOU KNOW AFTER DATUK MUSA (HITAM) WON IN 1981, IN 1984 I OPENLY SAID THAT THERE SHOULD BE NO CONTEST AGAINST DATUK MUSA BECAUSE IT WILL ONLY RESULT IN A SPLIT. BECAUSE THE UMNO TRADITION IS THAT YOU ELECT THE PERSON AT THE SECOND LEVEL, AND HAVING ELECTED HIM, YOU DON'T QUESTION HIM ANY MORE. WHEN HE TAKES OVER, HE WILL HAVE THE WHOLE FOLLOWING, NOT A SPLIT FOLLOWING. HE'S THERE, A SINGLE PERSONFOR REFERENCE. SO IF YOU ASK ME WHAT IS THE MOST CRITICAL PERIOD, IT IS WHEN THERE WAS THIS CHALLENGE, WHICH TO ME WAS TOTALLY UNJUSTIFIED. IT HAS CAUSED A LOT OF PROBLEMS. I WOULD SAY IT STILL IS A PROBLEM, BUT WE HAVE MANAGED TO OVERCOME IT. THE PROBLEM OF SEMANGAT 46, IF I MAY SAY SO, IS NOT BECAUSE 46 IS GOING TO WIN, BUT IT HAS THE CAPACITY OF MAKING THE OPPOSITION WIN, I MEAN PAS AND DAP MAY WIN. THE MAJORITY OF THE PEOPLE WILL SUPPORT UMNO. BUT THAT FEW NUMBER OF VOTES THAT BELONG TO 46, MIGHT JUST TIP THE SCALE AS HAD HAPPENED IN TELUK PASU (BY-ELECTION)...WHERE THEY HAVE ABOUT 300 MEMBERS ONLY AGAINST THOUSANDS OF UMNO MEMBERS. BUT THOSE 300 MEMBERS WERE ABLE TO TIP THE SCALE IN FAVOUR OF PAS WHICH MANAGED TO WIN BY 140 VOTES. THAT IS GOING TO BE THE PATTERN. THEY WILL NOT WIN THE ELECTION, 46 WILL NOT WIN THE ELECTION. THEY WILL CAUSE PAS TO WIN THE ELECTION. AND OF COURSE IF THEY COOPERATE WITH THE DAP, THE DAP WILL WIN THE ELECTION.

Q: BY YOUR RECKONING, HOW BAD IT IS?

DR M: NOT BAD... I DON'T THINK IT IS BAD. I THINK WE CAN HOLD OUR OWN IN MANY STATES. BUT THERE WILL BE SOME MARGINAL SEATS WHERE WE WILL LOSE.

Q: BUT BARISAN NASIONAL CAN MANTAIN THE TWO-THIRDS MAJORITY?

DR M: I THINK SO.

Q: BUT THE OUTCOME OF YOUR MEETING WITH TENGKU RAZALEIGH (THE SEMANGAT 46 PRESIDENT) DOESN'T INDICATE THAT SEMANGAT 46 AND UMNO ARE ANY CLOSER TO ANY RECONCILIATION, BECAUSE THE DEMAND IS STILL ABOUT THE SAME, WHICH YOU ARE NOT READY TO CONCEDE TO. IS THAT THE SITUATION?

DR M: WELL A DIALOGUE IS USEFUL, THAT'S ALL I CAN SAY.

Q: BUT THE PEOPLE ARE EXPECTING MORE THAN A DIALOGUE. THERE ARE ENOUGH PEOPLE BELIEVING IN .. IT IS COMING OUT WITH SOMETHING...

DR M: I DON'T KNOW WHAT GIVES THE PEOPLE THAT IMPRESSION. ARE THEY REALLY EXPECTING THAT UMNO SHOULD DISSOLVE ITSELF WITH 1.3 MILLION PEOPLE, VERY STRONG SUPPORTERS. DON'T TALK ABOUT ME. I'M ALSO SUBJECT TO THOSE PEOPLE ...IF I GO MY OWN WAY THEY WILL NOT FOLLOW ME.

Q: THEY DON'T WANT UMNO TO BE DISSOLVED. IF THEY DON'T WANT UMNO TO BE DISSOLVED, HOW CAN YOU ACCOMMODATE SEMANGAT 46?

DR M: THAT SHOULD BE OBVIOUS TO EVERYBODY. SO WHY DO THEY THEY HAVE SUCH BIG EXPECTATION.

Q. ACTUALLY, THE EXPECTATION IS WITH REGARD TO 46...FOR 46 TO DISSOLVE AND REJOIN UMNO. THAT IS THE GENERAL EXPECTATION. SINCE THEY ARE SAYING THEY ARE NOT GOING TO DO THAT...SO YOU WILL PERSIST IN HOLDING DIALOGUE WITH THEM?

DR M: IF THERE IS A WISH TO HOLD THE DIALOGUE, WE WILL HAVE THE DIALOGUE.

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INTERVIEW 14 KUALA LUMPUR

Q: DATUK SERI, IN A MATTER OF DAYS WE ARE ENTERING THE 1990'S. YOU HAVE SAID BEFORE THAT WE CAN LOOK FORWARD TO THE 1990'S WITH CONFIDENCE. WHAT IS YOUR MESSAGE TO THE PEOPLE FOR 1990'S?

DR M: WE CAN ACHIEVE TREMENDOUS GROWTH, A BETTER LIFE IN THIS COUNTRY PROVIDED THAT WE ARE PREPARED TO WORK FOR IT. TO EXPECT MERELY GOVERNMENT POLICIES AND LAWS TO ACHIEVE GROWTH IS I THINK TO HAVE WISHFUL THINKING. EVERYBODY MUST WORK VERY HARD. FOR EXAMPLE, WE ARE GOING TO HAVE VISIT MALAYSIA YEAR 1990. THE GOVERNMENT CAN SPEND MONEY PROMOTING..WE HAVE ALLOCATED MILLIONS OF RINGGIT FOR PROMOTION. WE BUILD ALL THE INFRASTRUCTURE AND INFORMATION CENTRES...ALL KINDS OF THINGS. WE HAVE ENCOURAGED PEOPLE TO BUILD HOTELS. BUT WITHOUT ATTRACTIVE SERVICE, WITH DISRUPTION THROUGH MAY BE STRIKES OR THREAT OF STRIKES, VISIT MALAYSIA YEAR IS NOT GOING TO HAPPEN. IF IT DOESN'T HAPPEN, WHO IS GOING TO PAY THE PRICE? IT'S NOT THE GOVERNMENT, THE PEOPLE WHO WILL PAY THE PRICE. THE PEOPLE WHO ARE WORKING IN THE SERVICE INDUSTRY WILL HAVE TO PAY THE PRICE. A LOT OF PEOPLE WILL BE UNEMPLOYED, THE HAWKERS AND PETTY TRADERS WILL NOT HAVE THE USUAL CUSTOMERS. THE PEOPLE AS A WHOLE WILL NOT HAVE MONEY SIMPLY BECAUSE THE GOVERNMENT CANNOT COLLECT TAXES AND SPEND THE MONEY ON DEVELOPMENT OR MAKING AVAILABLE THE FACILITIES. SO VERY MUCH DEPENDS UPON THE PEOPLE. SO FAR THE FOCUS IS ON THE GOVERNMENT. WHAT THE GOVERNMENT MUST DO, WE HAVE BEEN TOLD THE WE MUST HAVE THE NECESSARY LAWS, FACILITIES, POLICIES AND ALL THAT BUT ALL THESE WILL NOT MAKE THINGS HAPPENED, UNLESS WE ALL DO OUR BIT FOR OURSELVES.

Q: ONE OTHER OBJECTIVE OF YOUR ADMINISTRATION IS FOR A CLEAN GOVERNMENT. ARE YOU STILL COMMITTED TO FIGHTING CORRUPTION, ABUSE OF POWER, ALTHOUGH PEOPLE SAY THAT YOU ARE GETTING SOFT ON THAT SCORE?

DR M: I'M NOT GETTING SOFT ON THAT SCORE. BUT PEOPLE ARE QUITE AMBIVALENT ABOUT THIS THING. ON THE ONE HAND THEY SAY WE SHOULD FIGHT CORRUPTION BUT IF IT HAPPENS TO INVOLVE THEM OR TO INVOLVE SOMEONE CLOSE TO THEM OR THEIR OWN PARTICULAR GROUP, THEN SUDDENLY THEY FEEL THAT WE SHOULD NOT BE VERY HARSH ON THESE PEOPLE. PEOPLE ARE QUITE AMBIVALENT. THEY WOULD LIKE TO SAY... TAKE ACTION AGAINST CORRUPTION PROVIDED IT IS SOMEBODY ELSE. BUT THAT SOMEBODY ELSE IS ALSO THINKING THAT IT SHOULD BE SOMEBODY ELSE. SO IF PEOPLE WANT US TO TAKE ACTION AGAINST CORRUPTION, THEN THEY SHOULD SUPPORT THE GOVERNMENT FULLY WHENEVER WE TAKE ACTION AGAINST CORRUPTION AND NOT HAVE SYMPATHY FOR THOSE WHO ARE CORRUPT. WE HAVE TAKEN ACTION AGAINST THOSE WHO ARE CORRUPT AND THE RESULT IS THEY SAY THIS IS POLITICAL PRESSURE. WE KNOW QUITE A LOT OF PEOPLE HAVE MORE MONEY THAN THEY CAN ACCOUNT FOR. BUT THEY ARE ALREADY SAYING THAT IF WE TAKE ACTION AGAINST THEM, IT MUST BE BECAUSE IT IS POLITICAL PRESSURE. WE KNOW A LOT OF THEM HAVE TOO MUCH MONEY, WE DON'T KNOW WHERE THEY ARE GETTING THE MONEY, WE'LL HAVE TO TAKE ACTION AGAINST THEM BUT WE HOPE WHEN WE DO THIS, THE PUBLIC WILL SUPPORT THE GOVERNMENT AND NOT SAY AAH.....THIS IS POLITICAL PRESSURE. AND WE ALLOW ACTION TO BE TAKEN AGAINST OUR OWN PEOPLE ALSO.

Q: ON THIS SCORE, THERE HAVE BEEN QUESTIONS RAISED ABOUT WHETHER THE ANTI-CORRUPTION AGENCY (ACA) IS REALLY FREE IN FIGHTING CORRUPTION....

DR M: I HAVE NO CONTROL OVER THE ACA THOUGH I WISH AT TIMES THAT IT AVOIDS PUBLIC STATEMENT.

Q: FOR INSTANCE, THERE HAS BEEN TALK THAT SABAH IS A +GOLDMINE+ FOR THE ACA BUT AT THE MOMENT THERE HAS NOT REALLY BEEN ANY MAJOR BREAKTHROUGH IN INVESTIGATIONS. IT IS SAID THAT IF ONLY FIVE PERCENT OF THE ALLEGATIONS AGAINST SABAH POLITICIANS ARE LOOKED INTO, IT WILL BE SUBSTANTIAL FOR THE ACA....

DR M: YES, BUT WE DON'T WANT TO INTERFERE WITH THE ACA, BUT I HOPE THEY ARE ABLE TO GET SUFFICIENT EVIDENCE TO BRING PEOPLE TO COURT. ONE OF THE PROBLEMS OF COURSE, IS TO HAVE PROOF. IN CASES OF GOVERNMENT OFFICERS, SOMETIMES WE FIND IT NECESSARY TO ASK THEM TO RESIGN, AS YOU KNOW, QUITE A LOT OF GOVERNMENT OFFICERS HAVE BEEN ASKED TO RESIGN. THE LATEST ONES YOU HAVE READ ABOUT. THAT IS BECAUSE IF YOU GO THE COURT, THE COURT WANTS ABSOLUTE PROOF AND IT'S NOT EASY TO HAVE ABSOLUTE PROOF. THE COURT DOESN'T SAY THAT WE WILL ASSUME THAT CORRUPTION HAS TAKEN PLACE BECAUSE THIS MAN HAS GOT MORE MONEY THAN HE SHOULD. HE CAN SAY THAT I INHERITED THIS MONEY AND ALL KINDS OF THINGS, YOU KNOW. IT'S VERY DIFFICULT TO PROVE IN COURT. IF YOU HAVE A GOOD LAWYER, YOU CAN ESCAPE. SO WE FIND IT EASIER TO ASK THEM TO RESIGN IN THE CASE OF GOVERNMENT SERVANTS.

Q: IN ORDER WORDS,, YOUR GOVERNMENT WILL CONTINUE TO FIGHT CORRUPTION?

DR M: OH, YES..OH, YES..

Q: BUT DATUK SERI, GETTING THEM TO RESIGN ALONE IS NOT ENOUGH TO PAY FOR THEIR CRIME. SOME GET AWAY WITH MILLIONS...

DR M: YES, BUT IF WE TAKE THEM TO COURT, THEY WILL BE ACQUITTED AND YOU'LL HAVE TO EMPLOY THEM. SO WHAT IS THERE? I KNOW THEY ARE GETTING AWAY WITH MILLIONS BUT THAT IS THE SYSTEM OF GOVERNMENT WE HAVE HERE ...WE CAN'T JUST LINE THEM UP AGAINST THE WALL AND SHOOT THEM BECAUSE SOMEBODY SAID HE IS CORRUPT. WE HAVE TO GIVE HIM A FAIR TRIAL, ETC. THAT IS THE PROBLEM THAT WE FACE, IN A DEMOCRATIC SYSTEM, THAT'S THE WAY WE FUNCTION.

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Q: A LOT OF PEOPLE SEE THAT THE CHOGM IS THE MOST POSITIVE AND THE HIGHEST PEAK IN THE PERIOD (OF YOUR ADMINISTRATION). DO YOU AGREE WITH THAT AND WHAT IS NEXT IF IT IS SO?

DR. M: (LAUGHTER). I THINK THE SEA GAMES WE DID VERY WELL, NOT JUST WINNING THE SECOND PLACE BUT THE ORGANISATION WAS VERY GOOD, CHOGM WAS A SUCCESS BECAUSE THE ORGANISATION AGAIN WAS VERY GOOD. IT DEMONSTRATES THE CAPACITY TO ORGANISE THINGS THAT WE HAVE IN THIS COUNTRY IF WE REALLY PUT OURSELVES, OUR HEART AND SOUL AND I THINK DURING CHOGM EVERY BODY WANTED TO SHOW THAT WE CAN DO ALL THESE THINGS. AND OF COURSE, WE WERE LUCKY BECAUSE CHOGM BECAME A HISTORY OF THE COMMONWEALTH. IT IS THIS CHOGM WHERE WE SEE PAKISTAN RETURNING AND IT IS THIS CHOGM WE HAVE A NEW SECRETARY-GENERAL AND WHERE A VERY WELL-KNOWN SECRETARY-GENERAL LIKE SIR SHRIDATH RAMPHAL ENDED HIS TERM OF SERVICE. IT IS ALSO THE CHOGM THAT CONSIDERED APARTHEID, THE ENVIRONMENT.. ISSUES WHICH ARE VERY RELEVANT TO THE WORLD. IN FACT I SPOKE TO DATUK RAZALI ISMAIL (PERMANENT REPRESENTATIVE TO THE UNITED NATIONS) YESTERDAY. HE WAS SAYING THAT FOR THE FIRST TIME IN THE UNITED NATIONS, PEOPLE TALK ABOUT THE COMMONWEALTH SO WE WERE LUCKY...IN THAT SENSE BECAUSE THE ISSUES INVOLVED HAPPEN TO BE THE ISSUES OF THE MOMENT.

Q : CAN WE DO THE SAME THING FOR THE VISIT MALAYSIA YEAR?.

DR M: YES WHY NOT. I'LL BE LAUNCHING THIS ON DEC 31. THIS IS A MESSAGE FOR EVERYBODY....WE STAND TO BENEFIT AND EVERYBODY MUST DO THEIR PART. THIS VISIT MALAYSIA YEAR IS NOT TO MAKE HOTEL OWNERS RICH...IT IS AS MUCH FOR THE WORKERS IN THE HOTELS, LIKE THE HILTON DRIVE-IN WHERE THE WORKERS GO TO EAT, THOSE PEOPLE ALSO GET THE SHARE, THE ORDINARY PEOPLE WILL GET THEIR SHARE BECAUSE THE GOVERNMENT WILL OBVIOUSLY EARN QUITE A LOT OF REVENUE WHICH WILL BE DISTRIBUTED IN THE FORM OF SUBSIDIES EVEN... WHERE DO WE GET THE MONEY FOR THE SUBSIDIES. WE GET IT FROM THE ECONOMIC ACTIVITIES.

Q: DATUK SERI, WE HAVE THIS HIGH POINT, YOU SAY WE ARE LUCKY, THE NATURAL HIGH POINT WHICH WE CANNOT RUN FROM IS THE GENERAL ELECTION, YOU STILL HAVE A LOT OF TIME TO GO...

DR. M: YES, UNTIL END OF OCTOBER 1991.

Q: BUT WILL YOU WAIT UNTIL THEN, DATUK SERI?

DR M: WELL, I DON'T KNOW BECAUSE I HAVE NOT MADE THE DECISION. BUT IF WE ARE GOING TO BE ABLE TO SURPRISE THE OPPOSITION, WE MUST BE PREPARED, OTHERWISE WE WILL BE SURPRISING OURSELVES. SUDDENLY I ANNOUNCED THAT THERE'S GOING TO A GENERAL ELECTION AND FIND MY PARTY IS NOT PREPARED WHILE THE OPPOSITION IS PREPARED, THEN IT WILL BE A DISASTER FOR US. IF I AM GOING TO HAVE THAT KIND OF FLEXIBILITY TO ANNOUNCE WHEN THE ELECTION IS GOING TO BE, AND TO ANNOUNCE IT ONLY WITHIN A SHORT PERIOD BEFORE ELECTION IS TO BE HELD, THEN I MUST BE SURE THAT AT ANY TIME THE PARTY IS READY. SO THE FACT THAT WE ARE GIVING THE PARTY ORDERS TO GET READY IS NO INDICATION THAT THERE IS GOING TO BE AN ELECTION.

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Q : ARE YOU HAPPY WITH THE PERFORMANCE OF YOUR CABINET MINISTERS?

A : LOOK, A LOT OF PEOPLE THOUGHT THAT BECAUSE SOME PEOPLE LEFT THE CABINET, THEREFORE PEOPLE WHO TOOK OVER WOULD BE NEW AND INCAPABLE OF CARRYING OUT THEIR WORK. BUT LOOK AT THE PERFORMANCE OF THIS COUNTRY. EVERY MINISTER WHETHER AS A CABINET MEMBER OR ON HIS OWN, IN HIS OWN MINISTRY HAS DONE I THINK REMARKABLY WELL. YOU CAN SEE LOTS OF NEW IDEAS BEING THROWN UP BY EVERYBODY. LOTS OF NEW IDEAS BEING IMPLEMENTED. THEY HAVE BEEN ABLE TO ATTEND TO THEIR WORK. AT THE SOME TIME THEY HAVE THIS SENSE OF JOINT RESPONSIBILITY. I WOULD SAY THEY HAVE PERFORMED WELL. I WILL EVEN SAY OF THE STATE GOVERNMENTS, YOU SEE THEM MUCH MORE VIGOROUS NOW THAN BEFORE. THEY PROMOTE TOURISM NOW, THEY PROMOTE INVESTMENT. THEY ARE KEEN ON CLEANLINESS AND MAKING THEIR TOWNS MUCH MORE ATTRACTIVE. OF COURSE NOT ALL HAVE SUCCEEDED AS MUCH AS WE WOULD LIKE TO...CERTAINLY THERE IS THAT KEENNESS. SO, I THINK WE'VE HAD A GOOD TEAM BOTH AT FEDERAL AND STATE GOVERNMENTS. WE HAVE VERY CLOSE RAPPORT. WE MEET VERY OFTEN.

Q: I HAVE A PHILOSOPHICAL QUESTION. IN IMPLEMENTING A CERTAIN POLICY AND CHANGE, YOU TAKE THE APPROACH OF +MOVING A THOUSAND STEPS+ BUT IN OVERCOMING POLITICAL QUESTIONS, CRISIS AND CONFLICTS, YOU SEEM TO TAKE THE APPROACH OF +RETREATING A STEP BACK TO MOVE A THOUSAND STEPS FORWARD. IS THE SECOND APPROACH DISRUPTIVE TO THE FIRST?

DR M: ALL DEPENDS ON THE WORD PRAGMATIC. YOU HAVE TO BE PRAGMATIC. YOU HAVE TO REALISE YOU WORK IN A CERTAIN ENVIRONMENT. IF YOU WORK WITH COMPLETE DISREGARD TO THE ENVIRONMENT, YOU'LL NOT SUCCEED, THAT IS ALL VERY SIMPLE. SOMETIMES IT APPEARS I TAKE A STEP BACKWARDS IF NECESSARY, MAYBE I DID MOVE BACKWARDS IF NECESSARY. YOU KNOW IT CANNOT BE DONE, YET KEEP ON HAMMERING YOURSELF. THIS IS LATERAL THINKING. WHATEVER WAYS YOU MOVE DOESN'T MATTER, AS LONG AS YOU ACHIEVE YOUR OBJECTIVE. PEOPLE SAY I DON'T SMILE, NOW I SMILE. PEOPLE SAY I DON'T GO TO WATCH SPORTS, NOW I DO, ANYTHING TO GET THINGS DONE.

Q: WHERE DO YOU GET YOUR INSPIRATIONS?

DR M: HISTORY. YOU READ HISTORY AND IN THE HISTORY OF NATIONS YOU FIND THAT THERE ARE ALWAYS UPS AND DOWNS WHICH ARE ALWAYS RELATED TO THE QUALITY OF LEADERSHIP. YOU HAVE A GOOD LEADER, IT GOES UP. THAT GOOD LEADER MAY BECOME BAD, IT GOES DOWN AGAIN. YOU LOOK AT MARCOS. INITIALLY HE WAS A GOOD LEADER. HE CONFISCATED ALL THE ARMS AND ALL THAT, STABILISED THE PHILIPPINES. THEN HE BECAME VERY GREEDY. AND OF COURSE YOU KNOW WHAT HAPPENED.

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INTERVIEW 17 KUALA LUMPUR (LAST)

Q: DATUK SERI, WITH THE CPM BEING NEUTRALISED, THERE HAVE BEEN CALLS TO LIBERALISE THE USE OF THE INTERNAL SECURITY ACT (ISA) OR EVEN TO SCRAP THE ISA. WHAT IS YOUR REACTION TO THIS?

DR M: WE CANNOT RUSH WITH REGARD TO THIS THING. WE HAVE ALWAYS TO KEEP IN MIND THAT THE ISA HAS ALWAYS BEEN USED TO ENSURE STABILITY IN THE COUNTRY...NOT INSTABILITY DUE TO COMMUNISM ALONE BUT OTHER SOURCES OF INSTABILITY AND INSECURITY. YOU REMEMBER IN 1969 IT WAS NOT THE COMMUNISTS, IT WAS RACIAL TENSION WHICH CREATED AN INSECURE SITUATION AND THE ISA WAS USED. SO WE CAN FULLY JUSTIFY CONTINUING WITH THE ISA. BUT OF COURSE, IF THE SITUATION JUSTIFIES IT, THEN WE WILL DO AWAY WITH THE ISA OR WE'LL MODIFY THE ISA. BUT THE PEOPLE SHOULD REMEMBER THAT THE ISA DOES NOT DETER THE EXERCISE OF LEGITIMATE AND RESPONSIBLE DEMOCRATIC PRACTICE. IN THIS COUNTRY YOU ARE MORE FREE NOW THAN EVER BEFORE. YOU JUST COUNT THE NUMBER OF NEWSPAPERS AND MAGAZINES NOW AS COMPARED TO BEFORE. YOU COUNT THE NUMBER OF PEOPLE UNDER DETENTION NOW AS COMPARED TO BEFORE. THE ISA IS STILL THE ISA. BUT THE IMPLEMENTATION OF IT HAS NOT REDUCED THE FREEDOM OF THE PEOPLE. AS FOR ACADEMIC FREEDOM...I DON'T KNOW ABOUT ACADEMIC FREEDOM BUT IF IT IS IN ORDER TO PRODUCE LEARNED ARTICLES, DO RESEARCH AND ALL THAT THERE IS NO PROBLEM. WE HAVE THE SO-CALLED PRESSURE GROUPS, THEY ARE FREE EVEN TO DENIGRATE THEIR OWN COUNTRY BY TELLING LIES OUTSIDE THIS COUNTRY. STILL WE HAVE NOT TAKEN ACTION AGAINST THEM. WHY WANT TO RUN DOWN YOUR OWN COUNTRY AND WHY IS IT THAT THESE PEOPLE HAVE NEVER ATTACKED OTHER COUNTRIES FOR ENVIRONMENT OR ANYTHING LIKE THAT WHEN THEY KNOW VERY WELL THAT COUNTRIES LIKE AMERICA AND EUROPE ARE THE WORST CONTRIBUTORS TO POLLUTION. AND YET THEY SURVIVE IN THIS COUNTRY DESPITE THE FACT THAT THERE IS THE ISA. THE ISA IS MEANT TO PROTECT THE COMMON PEOPLE WHO ONLY WISH TO LIVE A LIFE OF FREE FROM ALL KINDS OF PRESSURES, THAT'S ALL. YOU REMEMBER IN 1987, THE RACIAL TENSION...LOTS OF PEOPLE HAVE FORGOTTEN THIS. THEY ONLY REMEMBER THAT (LIM) KIT SIANG (THE OPPOSITION LEADER) HAD BEEN DETAINED, THAT'S THE ONLY PART THAT THEY REMEMBER. PEOPLE WERE (THEN) LEAVING THE COUNTRY, PEOPLE WOULDN'T SEND THEIR CHILDREN TO SCHOOL, THEY DIDN'T TURN UP FOR WORK. THE MOMENT THAT GUY FIRED A SHOT AT THE PETROL STATION, THE WHOLE CITY WAS CLOSED AND NOBODY WENT ON THE STREETS. AND WHEN WE ARRESTED THOSE PEOPLE, IMMEDIATELY EVERYBODY FELT RELIEVED AND HAPPY, INCLUDING THE OPPOSITION UNTIL OF COURSE THEY WERE ARRESTED....