

0948

R E628 AAE
MAHATHIR-ECONOMY

(EMBARGO: 11 P M TODAY, A U G 22)

KUALA LUMPUR, AUG 22 (BERNAMA) -- DATUK SERI DR MAHATHIR MOHAMAD TONIGHT STRONGLY INDICATED THAT THE THRUST AND PHILOSOPHY OF THE POST-19913 ECONOMIC POLICY WOULD BE THE SAME AS THE CURRENT NEW ECONOMIC POLICY (NEP).

+WE HAVE LIVED WITH THE NEP FOR 20 YEARS. IF MALAYSIAN PERFORMANCE IS ANYTHING TO GO BY, THE NEP IS NOT TOO DAMAGING,+ HE SAID AT A DINNER OF THE HARVARD CLUB OF MALAYSIA, HERE.

THE PRIME MINISTER SAID THE NEP IRKED A FEW PEOPLE BECAUSE THEY COULD NOT GET WHAT-THEY WANTED BUT ADDED THAT ON REFLECTION THEY MUST ADMIT THAT EVEN WITHOUT THE NEP NOT EVERYONE WOULD HAVE GOT WHAT THEY WANTED.

THE BUMIPUTERAS TOO DID NOT GET ALL THAT THEY HAD WANTED DURING THE NEP PERIOD, HE ADDED,

SAYING THAT HE COULD NOT BE ANY CLEARER ABOUT THE POST-1990 ECONOMIC POLICY NOW, DATUK SERI DR MAHATHIR SAID THAT IF THE PEOPLE AND FOREIGN INVESTORS COULD HAVE LIVED WITH THE NEP FOR 20 YEARS, THEY SURELY COULD LIVE WITH ANY POLICY THE BARISAN NASIONAL WOULD DEVISE FOR THEM FOR THE POST-1990 PERIOD. -- MORE

2057MST 22 08 90

0752

R E631 A A E

MAHATHIR-ECONOMY 2 KUALA LUMPUR (EMBARGO)

THE PRIME MINISTER SAID THE ECONOMIC POLICY AFTER 1990 WOULD NOT INVOLVE ANY FANCY FOOT-WORK BUT WOULD INSTEAD BE A WELL-THOUGHT-OUT PLAN TO ACHIEVE ECONOMIC GROWTH WITH EQUITY.

+1991 WILL NOT BRING A CATASTROPHE. THE GOVERNMENT WILL NOT ALLOW ANY RADICAL CHANGES TO TAKE PLACE THAT WILL DESTROY ALL THAT THE GOVERNMENT HAD CAREFULLY PLANNED AND ACHIEVED.+

+WE ARE NOT ABOUT TO BECOME SUDDENLY IRRESPONSIBLE AND INDULGE IN SOME HARE-BRAINED SCHEME. THAT MUCH I CAN ASSURE YOU,+ HE SAID.

HE STRESSED THAT +WE HAVE IMPLEMENTED THE NEP WITHOUT DESTROYING THE MALAYSIAN ECONOMY. WE FLOUNDERED AROUND AT FIRST BUT EVEN THEN THE EFFECT WAS MINIMAL. WITH THE YEARS, WE BECAME WISER.+

+WE MODIFIED OUR APPROACH AND WE ALTERED OR STOPPED THE MORE DAMAGING OPERATIONS. FACED WITH A RECESSION, WE RESPONDED WITH POLICIES WHICH HELPED WITH RECOVERY YET WITHOUT ABANDONING THE NEP.+
-- MORE

2105MST 22 08 90

D954

R E 632 AAE

MAHATHIR-ECONOMY 3 KUALA LUMPUR (EMBARGO)

DATUK SERI DR MAHATHIR GAVE THE ASSURANCE THAT THE GOVERNMENT WAS NOT GOING TO DESTROY THE ECONOMY BECAUSE OF ANY IDEOLOGICAL COMMITMENT AND THAT MALAYSIA HAD SOME EXPERIENCE AND IDEAS ABOUT HOW TO REDUCE RACIAL DISPARITIES AND ERADICATE POVERTY WITHOUT UPSETTING ECONOMIC GROWTH.

HE STRESSED THAT FOR A LONG TIME MALAYSIA WAS GOING TO NEED FOREIGN INVESTMENT AND TECHNOLOGICAL KNOW-HOW AND THAT THE GOVERNMENT WAS NOT GOING TO DO ANYTHING TO SCARE AWAY FOREIGN INVESTORS.

HE ASSURED INVESTORS THAT THEIR INVESTMENTS WOULD BE SAFE IN MALAYSIA, AT LEAST -FOR AS LONG AS THE BARISAN NASIONAL REMAINED IN POWER.

+WE HAVE SHOWN THAT WE CAN BE QUITE LIBERAL AND RECEPTIVE TO IDEAS,+ HE ADDED.

THE PRIME MINISTER ALSO SAID THAT THE LOCAL INVESTORS TOO NEED HAVE NO FEAR OF THE NEW POLICY.

NOTING THAT LOCAL INVESTMENT HAD BEEN +QUITE HIGH+ DURING THE NEP PERIOD, HE SAID THE GOVERNMENT WAS WILLING TO LISTEN AND MAKE ADJUSTMENTS¹ REFERRING TO THE INDUSTRIAL COORDINATION ACT (ICA) THAT WAS MODIFIED TO ACCOMMODATE LOCAL BUSINESSMEN, -- MORE

2110MST 22 08 90

0959

R E635 AAE
MAHATHIR-ECONOMY 4 KUALA LUMPUR (EMBARGO)

+IF WE GO BY THE NUMBER OF LOCAL COMPANIES AND THEIR PERFORMANCE, I DO NOT THINK ANYONE CAN TRULY CLAIM THAT THE NEP IS THE BANE OF THE LOCAL INVESTORS.

+AS A MATTER OF **FACT**, BY COMPLYING WITH THE **NEP**, THE LOCAL NON-BUMIPUTERA ENTREPRENEURS HAVE DONE EXTREMELY WELL. THE OLD **FAMILY** COMPANIES HAVE **NOW** GIVEN WAY TO THE LIMITED PUBLIC COMPANIES AND BUMIPUTERA CAPITAL IS NOT SOMETHING DIFFICULT TO RAISE WHEN COMPANIES ARE LISTED,+ HE SAID.

EARLIER, **DATUK** SERI DR **MAHATHIR** SAID THAT SINCE THE NATIONAL ECONOMIC CONSULTATIVE COUNCIL (**NECC**) COULD NOT ACHIEVE A CONSENSUS (**ON** THE POST-1990 **POLICY**), +THE GOVERNMENT IS NOT BOUND TO ACCEPT ALL ITS RECOMMENDATIONS.+

+WE ARE BACK ALMOST TO SQUARE ONE WHERE THE GOVERNMENT HAS TO FORMULATE AND DEVISE THE ECONOMIC POLICY AFTER 1990 ALMOST BY ITSELF,+ HE **ADDED**.

THE **NECC**, COMPRISING ALL POLITICAL AND ECONOMIC SECTORS OF THE COUNTRY, WAS SET TO DELIBERATE ON THE POST-1990 POLICY AND SO FAR NOT ONLY HAS THE NECC YET TO TABLE ITS REPORT BUT SEVERAL REPRESENTATIVES HAD WALKED OUT OF THE COUNCIL. -- MORE

2118MST 22 08 90

CORRECTED TAKE FOLLOWS:

MAHATHIR-ECONOMY 5 KUALA LUMPUR (EMBARGO)

+ANY NEW POL-ICY THE GOVERNMENT FORMULATES WILL TAKE INTO CONSIDERATION THE NEED TO GET THE SUPPORT OF THE LOCAL BUSINESSMEN AND ENTREPRENEURS.

+**THEY** AND THE FOREIGN INVESTORS ARE THE GEESE THAT LAY THE GOLDEN EGGS. WE ARE NOT ABOUT TO SLAUGHTER **THEM**,+ THE PRIME MINISTER SAID.

HE ALSO SAID THAT THE BN GOVERNMENT WAS DEDICATED TO A RAPID **ECONOMIC** DEVELOPMENT OF MALAYSIA AND HAD SHOWN THAT IT CARED FOR ECONOMIC GROWTH.

+WE DO WANT WEALTH **DISTRIBUTION** AND BUMIPUTERA PARTICIPATION IN **MANAGEMENT**. WE DO WANT THE BUMIPUTERAS TO CATCH UP AND HAVE THEIR SHARE,+ HE SAID, ADDING THAT IT WOULD BE MEANINGLESS AND A CONTRADICTION TO DESTROY THE ECONOMY IN ORDER TO GIVE THEM THEIR SHARE.

+**IT** WILL BE **SHARING NOTHING**,+ HE SAID.

DATUK SERI DR **MAHATHIR** ALSO SAID THE GOVERNMENT WOULD THEREFORE ENSURE THAT THE ECONOMIC GROWTH WAS SUSTAINED WHILE ATTENDING TO THE TWIN OBJECTIVES OF POVERTY ERADICATION AND RESTRUCTURING. -- MORE

2215MST 22 08 90

D961

R E 637 AAE
MAHATHIR-ECONOMY 6 KUALA LUMPUR (EMBARGO)

+WE ARE NOT IN A HURRY. WE WANT THE **BUMIPUTERA** SHARE TO BE LASTING AND TO GROW ON ITS OWN ACCORD? EVEN WHEN NO MORE HELP IS GIVEN BY THE GOVERNMENT.

+IT IS A TALL ORDER. BUT WE THINK WE CAN DO IT WITHOUT TOO MUCH **DISRUPTION,**+ THE PRIME MINISTER SAID.

REITERATING THAT HIS **GOVERNMENT** WANTED THE NATION AND ITS PEOPLE TO PROSPER AND SHARE **THE PROSPERITY,** HE SAID: **+GETTING** 30 PERCENT OF AN IMPROVERISHED ECONOMY WILL BE MEANINGLESS TO THE **BUMIPUTERAS.+**

+THEY ARE AS MUCH COMMITTED TO ECONOMIC GROWTH AS EVERYBODY **ELSE,** AS IS THE GOVERNMENT.+

DATUK SERI DR MAHATHIR ALSO SAID THAT EVEN IF HE COULD NOT SPELL OUT TONIGHT THE EXACT *DETAILS OF THE ECONOMIC POLICY IN THE POST-1990 PERIOD, THERE WAS NO REASON FOR ANYONE TO WORRY.

+IF ANYONE IS HESITATING TO INVEST IN **MALAYSIA,** HE IS WASTING HIS TIME AND PROBABLY HISSING HIS OPPORTUNITY.

+THE ECONOMIC POLICY THAT WE WILL ADOPT IN ORDER TO ERADICATE POVERTY AND TO BRING THE BUMIPUTERAS INTO THE MAINSTREAM OF THE NATION'S ECONOMY WILL BE WELL **THOUGHT-OUT,** AS POSITIVE, IF NOT MORE SO THAN THE PRESENT **NEP,** THE POLICY THAT HAS RESULTED IN EIGHT PERCENT AVERAGE GROWTH FOR MALAYSIA AND HAS PUT IT AMONG THE TOP HALF DOZEN COUNTRIES OF THE DEVELOPING **WORLD,+** HE SAID. -- BERNAHA
2122MST 22 08 90