

# Investment: Private sector responding

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OTHER comments made by Datuk Seri Dr Mahathir Mohamad in RTM's special programme — *Conversation with the Prime Minister*:

● **On private sector response towards investment promotion:**

"I am quite happy. It could be better of course. No one can really be satisfied with whatever it is that one achieves. But certainly the private sector has responded.

"I remember the days when we were drafting the five year plans when growth was premised upon Government expenditure, expansionary budgetting. We say we want to have a 6.0 per cent growth and then we calculate how much the government has to put in.

"There was negligible contribution from the private sector. Now it is just the opposite. There is still a certain percentage of government contribution towards growth and we don't have to depend upon expansionary budgetting anymore."

● **On the role of the public sector:**

"Well, the public sector should confine itself to creating an environment, looking after law and order. Business is really not the business of the Government.

"When we do go into business, we do it very badly. We are extremely inefficient, and one of the exam-

ples of course is the Telecoms. But once when it is transferred to the private sector it is doing many times better than when it was in the government.

"Attitudes differ. When you are in the government, making a profit is not the most important thing. Just running it so that it fulfills a certain need. That is all that is required."

● **On civil servants affected by privatisation:**

"It is the environment. In fact the same bureaucrats when they work in the private sector do things quite differently. For example the Telecoms department would never think of opening a Kedai Telekom and to promote the use of the telephone.

"But once you are in the private sector, the same government servant begins to think that in order to justify his existence, in order to earn more money and to get a bonus and better pay, he must strive to promote the success of the company.

"This is what he does because he now lives in a different environment with a different philosophy."

● **On support for privatisation:**

"I think if we accept that life is not going to be fair to everybody, some people are going to do well and some people are not going to do well, I think if we accept that, we will not be too frustrated."