

# Malaysia's growth model a success

EST 27 SEP 1991

2 Trip over.

NEW YORK, Thurs. — Malaysia's deviation from the development model promoted by countries of the North has protected it from economic ruin like that experienced by some countries which only exported raw materials and imported consumer goods, machinery and technology from the North, Datuk Seri Dr. Mahathir Mohamad said yesterday.

He said the model which was promoted through the World Bank and the International Monetary Fund (IMF) when the colonies of the West gained independence also called for the opening up of forests to plant crops using fertilisers and chemicals from the North.

"The model led to over-production and lower prices for commodities and deterioration in terms of trade for the developing countries. We are today looking at the ruins of this model in many parts of the World, especially Africa," he said in a lunch talk to the Asia Society on the theme "The Malaysian Economy: The Way Forward."

Dr Mahathir said the severe adjustments programmes demanded by the World Bank when these countries failed because of their policy caused further hardship on their societies and governments.

In Malaysia's case, he said, it was providential that the country chose to adopt a pragmatic approach to economic development by not nationalising foreign-owned assets but acquiring a controlling interest in them and in occasional and timely government intervention in the open market trading system.

The Second Outline Perspective Plan (OPP) and the National Development Policy (NDP) are representative

of this in the context of the Vision 2020 concept.

"Our concept of being developed does not simply focus on per capita income but on the quality of life and morality as well. The hedonistic materialism of present models is not for us.

"We hope the rest of the world will give us this freedom of choice and not harass us into conformity in the name of freedom."

The Prime Minister said the NDP has taken into account the need to continue the objective of the New Economic Policy (NEP), the participation of all communities, the need for reducing the Government's role in opening new land, the need to generate capital from domestic savings and the need for more meaningful support for the continuation of free trade.

He said economic development could not be successfully implemented if the country was politically unstable, a possibility given its multi-racial population.

This is where the deliberate power-sharing among the various ethnic groups had led to political stability.

Dr Mahathir said Malaysia would succeed in achieving its objectives if the people work hard, were tenacious and have a singleness of purpose.

"What we require is less of the all-knowing dogooders and their drive to liberate us from ourselves. The idea of a monolithic all-purpose model cannot be accepted by us.

"We hope people do not latch on to causes and erasades in order to justify political and economic re-colonisation. Governments should also not hide behind Non-Governmental Organisations and nations should not feel unhappy if we retaliate in the same manner when they deliberately run us down."