

Growth without losing touch with our values

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By Hardev Kaur

KUALA LUMPUR, Thurs. — Malaysia's goal is industrialisation "without losing touch with our values," Prime Minister Datuk Seri Dr Mahathir Mohamad said. He said that to ensure that the "worst aspects of development don't displace our values, we have to educate the people as to what we mean by a developed country."

In an interview with *Newsweek*, Dr Mahathir said Malaysia had "successfully established the foundation for more sophisticated development". The American weekly published a special supplement on Malaysia entitled "Malaysia: Forward to 2020".

The magazine described Malaysia as "a diversified economic cauldron fuelling the strong gross domestic product growth" and adding that the "signs of prosperity are everywhere in this country of 18 million people."

It adds, "despite the inevitable signs of the stereotypical metropolis, Malaysia has successfully retained its essential Asian character."

The Prime Minister, asked about Vision 2020, said the country needs "to average seven per cent GDP growth a year at least through 1995 to stay on course for developed status by 2020."

He pointed out Malaysia's growth rate averaged 6.7 per cent since the mid-1980s, "so we just need to increase it a little. While we may have to moderate growth, the basic goal is realistic."

Dr Mahathir said looking at the country's strengths — political stability, investor confidence locally and internationally and the Government's emphasis on developing infrastructure — "I am very optimistic (that the goals can be achieved)."

He added that Malaysia had a political system that would instil confidence in both foreign and domestic investors. Nevertheless, he stressed that the education system must keep pace with the needs of a gradually industrialising society as people had to be trained to handle industries at a number of levels.

While the goals were within reach, Dr Mahathir said to focus only on per capita income was to miss

the point.

Dr Mahathir also said that while there was clearly a shortage of skilled labour, Malaysia was fortunate as "we live in a friendly region and the shortage can be resolved by importing labour from our neighbours."

At the same time, Malaysia had also embarked on a training programme through the education system, opening up more polytechnic vocational institutions and giving incentives for other training programmes.

Asked about the Asean Free Trade Area (AFTA), Dr Mahathir said Malaysia had always been a very open economy. It moved immediately to identify thousands of products for tariff reduction under AFTA, adding that AFTA was "enormously important for Asean."

He explained that Asean, which began as a political organisation, was now ready for a more integral relationship. "It is a very positive evolution."

On whether he accepted the mantle of "Voice of the Third World", he replied that although he spoke his mind and had strong opinions, "I certainly didn't seek any sort of position, nor do I now. I just believe strongly about certain issues like free trade and the environment and I speak out on them. It comes naturally for me."

Asked to describe his relationship with the United States, Dr Mahathir said the situation was not as bad as it might seem. "We speak very frankly. Clearly, we have differences of opinion but it isn't as bad as it might seem," adding that "I have always been forthright."

He said the present relationship with Britain flourished even though he introduced a "Buy British Last" policy when he became Prime Minister. He said he hoped Malaysia's relationship with Washington would be just as excellent.

On boosting bilateral trade between developing countries, he said it was important to develop different markets and to support other countries in the developing world.

"Why should we buy everything from the West?" he asked, adding that there were more and more sources growing for an in-

creasing array of industrial products.

On the possibility of ecotourism threatening the environment, he said this would not happen "if you manage it correctly and promote the correct things." The key was to avoid trampling the environment but utilising it. The important thing he said was to "strike the appropriate balance".

"You have to have regulations in place that guarantee that the environment won't get trampled; at the same time you have to take advantage of your natural resources."

Asked how long he intended to stay in office, Dr Mahathir replied: "As long as I am welcome, and I wouldn't stay in office if I wasn't. The people seem pleased with my policies. Economically things are going very well. As long as we keep going forward with successful policies, I should continue to be welcome."

On what his major achievement was after 12 years in office, Dr Mahathir said: "The thing that I am most satisfied by is that we are a stable country." Malaysians, he added, had been living in a very harmonious manner despite being multi-lingual, multi-cultural and multi-religious.

"This is a major achievement. After all, just look around the world today," he said.

Asked about his greatest disappointment, he said: "I guess I'd say my biggest disappointment is that people don't work as hard as I would like (them to)."

Meanwhile, Finance Minister Datuk Seri Anwar Ibrahim told the magazine that by the year 2000 the services sector would contribute 45.5 per cent of Gross National Product (GNP) compared with the present 42.3 per cent and manufacturing would rise to 37.2 per cent from the present 27 per cent.

Asked whether Malaysia could achieve developed nation status by the year 2020, he said: "Of course we can achieve developed nation status by 2020, probably earlier than that."

He told the American publication that Malaysia's Vision 2020 was not only about economics, adding that it was the overall vision on the future of Malaysia as a nation.