

PM: Government will continue to protect investors

By Manan Osman and Charles Raj

KUALA LUMPUR, Mon. — The Government will continue to intervene in the marketplace whenever necessary to protect the interests of investors, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said the Government would, however, only intervene out of necessity as the private sector preferred deregulation.

Dr Mahathir said: "This intervention should be considered as an assurance that when you put your money in Malaysia, the Government looks after you."

The Prime Minister was responding to a question from the floor at a dialogue session held during the conference on *Malaysia: The Powerhouse of the 90s*, here.

Dr Mahathir said such intervention should be reassuring to local and foreign investors as they knew their investments would be safe.

"Sometimes the private sector itself can be quite irresponsible by starting rumours to push up or down the value of our currency.

"For example, there was a rumour in the Malaysian market that the ringgit was about to be devalued. So we had to do something about it," he said.

(Last week, acting on rumours that the ringgit was to be devalued, Bank Negara intervened in the money market by protecting the ringgit against a downside).

Dr Mahathir also said that the Government did not like excessive competition as this might cause companies to go bankrupt.

If such a thing happened, he said, the Government could not collect money in the form of taxes as loss-making companies would not be able to pay taxes.

Earlier, Dr Mahathir was

also asked to comment on the country's leadership.

He was asked by a participant whether he was satisfied that his successor would continue with policies laid down by him, especially towards achieving *Vision 2020*.

In his response, Dr Mahathir said he was confident that the country would not undergo any radical changes in policy, even with a change in the country's leadership.

The Prime Minister also expressed his confidence that his successor would continue with the policies set by the present Government, especially in steering the country towards achieving *Vision 2020*.

"I hope my successor will understand this. What he has been saying appears to be in line with what we all believe in," Dr Mahathir said.

The Prime Minister, however, did say who he was referring to.

Dr Mahathir has yet to appoint a Deputy Prime Minister following the resignation of Encik Abdul Ghafar Baba last month.

He said leadership changes in Malaysia had not seen any radical changes in policies, right from the time of the late Tunku Abdul Rahman, Malaysia's first Prime Minister, to the late Tun Razak, the late Hussein Onn and himself.

He said the only evident changes were in style and approach.

He said investors should not worry about whether or not there would be any change in policy because the country would be governed by the same people.

"We work as a team in the Government. Unless, something tragic happens, then the same Government will remain. We have planned it that way," he said.

Another participant

wanted to know why the Malaysian and Philippine Governments did not settle the Sabah claims issue once and for all so that Asean could continue to move forward.

Dr Mahathir said Malaysia would continue to pursue active and positive relations with the Philippines and would not worry, so much over the claim issue.

Despite the issue, the two countries could still foster closer ties, especially in trade, Dr Mahathir said.

"We realise that the successive governments in the Philippines would like to settle the problem but the structure of Philippines politics is such that it is difficult for any government to take any step to get rid of the problem," he said.

Therefore, he said, during Philippines' President Fidel Ramos visit to the country

recently, they had agreed to forget about the problem and concentrate on a more positive aspect of their relationship.

In fact, he said Malaysian businessmen had already been encouraged to invest in the country.

"I do not think the Philippines would want to go to war to take back Sabah," he said in his response.

Asked why he declined to attend the Asia-Pacific Economic Co-operation (Apec) meeting in the United States, Dr Mahathir said he really did not think that the meeting could decide on anything substantial.

Furthermore, the Prime Minister said, his views would not change anything as they were well-known.

"I have said the same things at so many forums and people get bored," he quipped.

He said he hoped that the meeting would achieve its desired aim.

Answering another question, Dr Mahathir said that efforts had been made to turn Malaysia into a centre of educational excellence.

This, he said, included encouraging twinning pro-

grammes between local and foreign institutions of higher learning.

He said the country had always maintained that education was the key to development and had spent 20 per cent of the country's annual budget on education since Independence.

He also said that privatising education would be the solution to overcome the disparity in the salaries of academicians.

Dr Mahathir also said that his remarks on certain developed countries had not put off investors from those countries.

He said there was no evidence that the business community from the countries had lost interest in Malaysia because of his remarks.

He added that his remarks were aimed at the governments and not at the business community.