

PM: Nation can progress further by a moderate approach

Don't be driven by greed

By Nuraina Samad

KUALA LUMPUR, Fri. — Datuk Seri Dr Mahathir Mohamad said Malaysians must not run away from challenges facing the country and warned them not to make greed and excessive personal wants the driving force for moving ahead.

The Prime Minister said the country would progress further if the people adopted a moderate approach, were not greedy and careful in their outlook.

Dr Mahathir said Malaysia was successful because its people had not forgotten their struggle and objectives. He said this in his New Year message over Radio and Televisyen Malaysia tonight.

The Prime Minister said the peace, stability, prosperity and progress now enjoyed by Malaysians did not come by accident. Much of it was the result of hard work and co-operation from all sides — the *rakyat*, Government, workers and entrepreneurs.

in the end, what will bring us success is our own effort."

Dr Mahathir said this was why the people could not hope for society or the Government to provide all the facilities as promised by a western-style welfare state.

He said: "Having only one section of the people working hard and with full responsibility while others who have less work and responsibility enjoy similar wages is not a sound practice.

"If everyone is given equal benefits, no one will want to carry a heavy task. And there is no way to make work equally light."

Dr Mahathir said attempts to provide an equal salary for different types of jobs would only obstruct progress.

"A country that does not progress and prosper will not be able to provide a good life for its people. What is easy to divide equally is poverty and a hard life."

A welfare state which depends on the forces of law

The concentration of efforts by everyone had helped Malaysia achieve encouraging performance in all fields throughout 1993, he said.

Dr Mahathir said societies in any country wished for prosperity. This led to the creation of numerous theories and ideologies like socialism and communism as well as a welfare state system.

"Wanting to have equality among the people is good but these ideologies do not take into account the human consideration.

"Equality among us exists only at birth, when we are all clean of any sins. Whether or not we succeed to become decent human beings when we grow up depends on our attitude and efforts.

"Others can help us. The Government can help us but

will not succeed as one, which is why they, along with the communist and socialist states, are facing declining economies.

"But this does not mean that welfare states cannot exist at all. They can if the people who are capable and efficient are allowed to freely seek wealth.

"If a society has caring qualities and is always ready to donate to those in need, then a welfare state can exist. But the intention is not for those less fortunate to be as rich as the donors.

"The intention is to help those who have not succeeded, for whatever reason."

If this happens, then the gap between the poor and the rich would not be too wide, he said.

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Efficient seekers of wealth useful, says Dr Mahathir

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The Government would still have a role in a welfare state. It would impose taxes on the rich to help finance facilities which are used by all, he said.

But he pointed out that the taxes should not be too high that they would demoralise those who can increase their wealth.

"Those efficient in seeking wealth are useful to the welfare of society and country. Without them, or as in the communist countries where they are not allowed to amass wealth, there will be no one from whom the Government can collect taxes which could be utilised in the public's interest."

Dr Mahathir said the theory that the Government could carry out business and reap all the profits and not just a part of it through taxes was baseless.

Businesses carried out by a government often face losses, especially if all its members and staff are paid equally as suggested by communism and socialism.

Moreover, the government bureaucratic system limits management from acting as a business operator. As such, profits are difficult to obtain.

"The experience in Malaysia is that government companies need the government's help all the time."

Dr Mahathir said government-owned companies often faced demands for pay hikes and threats of strikes from its workers.

"If the demands are not entertained, there is a possibility that the Government will not get the support when a general election is held. On the other hand, by entertaining the demands, losses will be greater or the prices of goods will increase.

"The Government's income will be reduced and it cannot finance supply for public interest," he said.

The Prime Minister said the Government, on the other hand, cannot seek excessive profits. Therefore, the Government as a business owner cannot pay good salaries to its employees.

"With a low pay, the people working with the government in a western welfare-style state, cannot afford expensive goods which normally give higher profits."

Dr Mahathir drew attention to Malaysia's unique philosophy in which all sides are given suitable freedom because the Government believes that everyone — from manual workers to businessmen, investors, politicians and managers, had a role to play.

"They each have a different role but they all contribute to progress," he said.

Dr Mahathir spoke of the rise of communism and socialism in the West during a time when investors, once regarded as highly important, became so greedy that they did not value the role of workers and managers.

But he cautioned that a

communist and socialist society in which workers were given too much emphasis would not bring success and fairness.

Today, Dr Mahathir said, the Western societies were putting too much value on managers who are believed to hold the key in the success of a business or operation.

Because of this, the managers demanded very high salaries with bonuses and share option schemes and all sorts of perks.

In Malaysia, a similar approach was developing. Managers were demanding high salaries and perks. He said that there had been instances when managers were demanding wages and other benefits valued at almost RM2 million a year.

He said it was this kind of a greedy approach that led to the big corporate giants in the United States to decline. They placed so much emphasis on quick profits that they did not invest in research and development or expansion.

The Prime Minister said: "We must remember that we all have a role to play. Whether we are manual labourers or owners of companies, whether we are in the public or private sector, no one can consider himself more important than he does not depend on others.

"Big or small, we all have our roles to play. Therefore, we should place a value and appreciate every effort fairly."