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Efforts to sustain economy will continue, says PM

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KULIM, Sat. - Datuk Seri Dr Mahathir Mohamad called on Malaysians today to work harder, saying efforts to sustain the economic growth would continue despite attempts to sabotage the country's economy.

The Prime Minister said the "prophets of doom" were unhappy with the progress achieved by the country so far and were deliberately attempting to sabotage the economy.

"Malaysians must work very hard now to prove to the world that we can cope with any deliberate attempt to sabotage our economy," he said, adding they should not become slaves to those who spoke negatively about the economy.

"We may not grow at eight per cent but we are not going to grow at a very low rate either," he said when opening the Industri Otomotif Komersial Sdn Bhd (Inokom) plant at Padang Serai.

The Prime Minister, who also witnessed the official commencement of the commercial production of the Permas van said those who had sabotaged the economy by devaluing the ringgit might also attempt to block the export market for the made-in-Malaysia vehicles.

He was confident Inokom would be able to export its eight variants of vans and contribute towards the reduction of the balance of payment deficit.

He said as a result of currency speculators, countries in the region lost US\$200 billion (about RM670 billion).

"They will soon feel that by making us poor, they will lose the market for their goods."

Asked at a press conference who he meant by "they", Dr Mahathir said he was referring to the "prophets of doom" who had predicted that the Malaysian economy would overheat and the country would subsequently suffer.

Asked whether the groups he was referring to were foreigners or locals, he said: "Mostly foreigners, but there were some Malaysians who jumped onto the bandwagon."

He said these people had taken steps to devalue the ringgit so that their forecasts that the economy would not be able to sustain the eight per cent growth would come true.

"They did this quite deliberately... Of course, they will deny it, and blame it on fundamentals and such. The fact is, if they did not fiddle with the ringgit, the currency would not have depreciated."

He said because of the attack on the ringgit, Malaysia's wealth had been reduced by about 30 per cent and this meant that the country would be reducing imports by about the same amount.

Similarly, countries such as Indonesia, Thailand, the Philippines, Taiwan, South Korea and Hong Kong which had been affected by the activities of currency speculators would be reducing imports.

On Malaysia's exports, he said, the country should be able to continue competing in the international market due to its competitive price for the time being.

However, the cost of exports would increase soon because of the importation factor in the export goods.

He said some groups or countries might find some excuse not to import our products "but we will find other markets."

Asked if Malaysia's close economic ties with France was an indication

that it was finding new friends to rely on, Dr Mahathir said:

"No, we are friendly with everybody... We have no quarrel with anybody. Unfortunately, some people do not want to be friendly with us. Those who want to be good to us, we will be good to them. If some people don't want to be good to us, you cannot expect us to say we want to be good to them."

On his scheduled meeting with French President Jacques Chirac in Langkawi tomorrow, Dr Mahathir said they would discuss bilateral and international issues.

Asked whether the United States' plan to investigate Petronas and four other companies from France, Russia, Indonesia and Canada for their business involvement in Iran, would be discussed, he said: "If it is something that is worth discussing about."

On whether Malaysia's relationship with the US would be strained as a result of the investigation, he said: "I don't know about straining the ties but I don't think it is proper."

On the Permas van which he test drove after launching it, Dr Mahathir said Malaysians should buy the vehicle.

Inokom, which will produce light commercial vehicles, expects to put on sale all eight variants of its Permas vans by the beginning of next year.

Although the price had yet to be decided, Inokom managing director K.Y.Lim said the vans were expected to be sold at between RM40,000 and RM60,000 a unit.

He said the company expected to produce between 2,000 and 3,000 units next year.

It hopes to be able to produce 10,000 units a year within two to three years.

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