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MISTAKE TO BELIEVE BIG PROJECTS SHOULD START AT SAME TIME, SAYS RAFIDAH

KUALA LUMPUR, Sept 5 (Bernama) -- Minister of International Trade and Industry Datuk Seri Rafidah Aziz said here today that the deferment of big projects was not a "disappointment," noting that it was a mistake to believe that all such projects were to be carried out simultaneously.

"We (the government) have been discussing this for a long time. It is just that now we are saying it was not necessary for some of these projects to begin next year.

"It would not do any harm to us. We have been prioritising all these while...perhaps the announcements have not been made yet.

"Those that we need to do to generate productive capacity we must do. Nobody must tell us to stop building our infrastructure because without that, we could not sustain our economic growth in the future and our export industries," she said.

She was speaking to reporters after Prime Minister Datuk Seri Dr Mahathir Mohamad opened the Umno General Assembly at the Putra World Trade Centre here today.

Rafidah added that the government had actually started to shelve some of its projects, "infact without anybody knowing (about it)."

Asked whether the various measures introduced to weed out the currency and stock market manipulators would bring back investors' confidence in the country, Rafidah said, "I am not sure whether foreign confidence has eroded (in the first place)."

"What we do see is some flights out of the stock market. If that is translated into foreign confidence, I would like to dispel that because that is the reaction of people in the capital market.

"Confidence in Malaysia as a country to locate a whole range of hitec capital intensive operations has not waned," Rafidah said.

She said in the first seven months of 1997, half of the applications for manufacturing projects in the country were from foreigners, totalling about RM14 billion.

Rafidah said the fall in the Kuala Lumpur Sock Exchange (KLSE) was temporary and foreign stock investors would come back once they realised the real fundamentals of the country.

She added that the measures to flush out foreign manipulators on the stock market, "is a process of finding our own strength."

"Having found that domestic strength, the KLSE could easily overcome any negative external elements," Rafidah said.

To a question, she said the "smart remarks to foreign investors, were targeted for those who came to manipulate."

On the lifting of designated securities status on 100 Composite Index components, imposed a week ago to stop manipulation in the stock market, she said: "Having look at the situation, it is not necessary anymore." --

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