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PM tells how we made privatisation successful

Azmi M. Anshar in Kasane, Botswana

MALAYSIA'S successful privatisation drive was a focal point at the first session of the Southern African International Dialogue on Sunday.

Heads of Governments from 12 southern African states and other participants heard Datuk Seri Dr Mahathir Mohamad outline in 20 minutes the two stages of Malaysia's privatisation programme and the third stage it is now entering.

Tan Sri Dr Omar Rahman, chairman of the Commonwealth PARTNERSHIP for Technology Management which is co-organising the SAID, said Dr Mahathir explained to the audience how Malaysian privatisation programmes first started by building up employment and attracting foreign investments and business.

"The Prime Minister explained how Malaysians obtained jobs from these strategies and trained in management skills," he said.

"Dr Mahathir also explained how the people saved money and built up capital through schemes like the Amanah Saham Nasional."

In the second stage of privatisation, Omar said Dr Mahathir told the participants how Malaysia began acquiring stakes in foreign equity, including the most famous one of all - the Permodalan Nasional Bhd "dawn raid" on Guthrie.

Now in the third stage, Malaysia's privatisation programme has entered a phase where joint ventures are the norm and the pursuit was geared towards a "sophisticated balanced approach" on business opportunities.

At the first closed-door briefing, the participants covered privatisation and how local businessmen can capitalise on it, the private sector becoming implementors of national development programmes and the advent of Country Inc, a concept introduced by Malaysia.

The session was moderated by Botswana president Sir Kitumile Masire.

The discussion was kicked off by Zimbabwe president Robert Mugabe who revealed experiences of how they tried to introduce privatisation without undermining the long-entrenched white settlers.

"Zimbabwe had this problem of the large entrenched white settlers who control the economy," Omar said. "How to appease the black majority population without affecting whites?"

Tanzania, Omar said, does not have Zimbabwe's problems but experienced low-economic activity.

To overcome this, the Tanzanian government initiated a series of economic activities but now faced the challenge of how to privatise these entities, he said.

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