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PM: Accusers are themselves cronies (HL)

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KUANTAN, Sat. - Allegations of cronyism and collusion on the part of the Government will only weaken the nation, and those making them should realise that they in turn are someone else's cronies, Prime Minister Datuk Seri Dr Mahathir Mohamad said.

He said that by virtue of government assistance under the New Economic Policy previously and the National Development Policy now, the students who were today echoing these sentiments were themselves government cronies.

"If you destabilise the country because of some political agenda, then the price will be paid by the whole country," he told reporters after launching the RM700 million Pahang Cement Sdn Bhd plant in Bukit Sagu.

Dr Mahathir was asked whether the statement by Umno Youth chief Datuk Ahmad Zahid Hamidi last week that there was a need for a new code of conduct to rid business of collusion, cronyism and nepotism, was counter-productive to the Government's efforts to attract more investments.

"Generally, if you create political instability, you can be certain that there will be no investments, not even by locals. I'm not talking about foreigners, even locals will not put money in their own country if it is unstable," he said.

Dr Mahathir, who is also Umno president, said economic policies adopted by the Government had made it possible for students, especially Malays, to go abroad to further their studies and also to create wealthy businessmen, although some termed this cronyism and nepotism.

Several senior Umno leaders including Ahmad Zahid had made allegations of cronyism and nepotism and called for reforms.

Ahmad Zahid, who spoke to reporters after a conference organised by Umno Youth in Kuala Lumpur on June 7, also described as "nepotism" the practice of big corporations subcontracting privatised projects to companies in which they had interests.

Asked to comment on the statements by several Malaysian student associations abroad that there should not be any practice of collusion, cronyism and nepotism, Dr Mahathir said:

"The students, particularly the Malay students, are in receipt of government scholarships which were made possible by the NEP (now National Development Policy). They are in fact my cronies because they benefit from these government policies.

"So, cronies shouldn't complain about other cronies," he said. This was not cronyism, Dr Mahathir said, but a sincere effort by the Government to ensure an equal distribution of wealth.

Dr Mahathir said when the students returned to the country after completing their studies, the Government was obliged to provide them with jobs.

"Some become professors at universities and some become successful businessmen. Without the NEP, they will not have the opportunity (to study abroad)."

He added that some businessmen became wealthy because the Government created the right business climate and system for them.

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