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Dr M: Critics want our economy to fail

Syed Nadzri in Cairo

PRIME Minister Datuk Seri Dr Mahathir Mohamad said the negative perception towards Government assistance to troubled companies would persist no matter how transparent the Government was in carrying out the plan.

He said even if a set of well-laid criteria was established for it, critics would still not be swayed.

"No matter what criteria we put up, they (the critics) would still say it is a bailout because they do not want us to help our companies," he told Malaysian journalists at a Press conference at Kouba Palace, the presidential guest house, in Cairo on Sunday night.

The Prime Minister was asked whether the Government would consider a fixed criteria to determine, on a case by case basis, if such help was necessary taking into account strategic and national interests.

Dr Mahathir said detractors were opposed to this kind of assistance because they want the companies, and ultimately the economy to fail.

The Prime Minister said if no assistance was given, the companies would face more problems.

The value of their shares would drop and eventually the Government might be forced to seek the help of the International Monetary Fund.

"The IMF would, in turn, impose stringent conditions and make us open our economy to allow for 100 per cent foreign ownership of local companies.

"The foreigners would then come in and buy the companies at a cheap rate and ultimately they can be in control of our national economy," he said.

When asked whether the Government, given the present economic situation, could afford to lend assistance to troubled firms, Dr Mahathir said the Government's capacity to do so was limited.

Even then, said the Prime Minister, there were attempts to stop the Government from giving such limited help to the companies.

"They don't want us to help because if we do so, we can save a few important companies," he said.

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