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Understand present state of economy: PM (HL)

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UMNO president Datuk Seri Dr Mahathir Mohamad yesterday urged party leaders to have a good grasp of the cause and effect of the current economic turmoil, and not subscribe blindly to reasonings by the West.

Crony-capitalism, corruption and non-transparency, the reasons given by the West for the decline of economies in this region including Malaysia, are only excuses to attack the economic and finance of these countries, the Prime Minister said.

He also asked Umno leaders to always look for ulterior motives. They must understand, for example, that new terminologies such as globalisation, the borderless world, deregulation and liberalisation are created by the West for their own interests.

"Let us not accept all these without study, without suspicion. Do not accept all these because we want to be regarded as sophisticated. Let us not be proud of being praised by them when we show how up-to-date our thinking is."

In his presidential address to the annual Umno general assembly, held after almost a year of economic and financial turmoil in the region, Dr Mahathir spoke of currency attackers and the effects of share business, new methods of colonialism, globalisation, and attempts to change leaders, and how foreign powers may control local companies in their attempt to re-colonise countries.

From the onset of the regional crisis, he has attributed the crisis to currency attackers and an international financial system incapable of checking their activities.

Leaders and media in the West, however, have blamed the crisis that first hit Thailand last July on crony-capitalism, corruption, and non-transparency.

Lately, such accusations have also come from within the country and even within Umno.

"When such accusations are thrown by foreigners, locals and Bumiputeras respond and believe them," Dr Mahathir said of the various accusations levelled at the Government, including that the New Economic Policy has been misused to enrich cronies of Umno leaders.

"What is strange is that those who are taken in by these accusations are those who have benefited from policies such as the NEP themselves."

Dr Mahathir said most who became rich because of the NEP are in fact not known to party leaders and the Government then and almost all who became rich from the Government assistance were themselves successful businessmen who have proven their abilities in business.

"Before the person succeeded, there was no accusation of cronyism. But if he succeeded and became rich, he will be accused of being a crony although he has not received any government assistance and is not close to any leader."

Dr Mahathir said if someone who had never been involved in business or had never succeeded is suddenly given a chance, they would waste the opportunity. This is why the Government is reluctant to award them the opportunity, although they would have reciprocated with political support for the Government.

The Prime Minister said that the allegations of cronyism in enriching certain Bumiputeras have been made out of envy for the huge success in social engineering where society has been restructured without riots and

confiscation of property or rights.

He reminded the delegates of how accusations of capital-cronyism, corruption and non-transparency surfaced only after crisis hit the region. Right before the crisis, the same governments accused of these sins were being praised for their economic policies and rapid growths.

In facing the economic problems, he said Umno and its members and leaders at all levels should not allow desires to control their thoughts. "Our thinking should curtail our desires."

The Prime Minister also reminded delegates that when local businessmen and big entrepreneurs are faced with problems, the whole nation will face problems as their profits are a source for the Government to obtain taxes for expenditure.

"As such, we should not be influenced by the Opposition's jubilation when big companies are faced with problems. Their problem is also our problem. It is not wise to incite hatred and envy towards those having problems.

"We should understand all these. We should understand because whether we are successful or not in our efforts to overcome the crisis will depend on how much we understand the problems we are facing.

"Not understanding what exactly attacked us is equivalent to being blind and not knowing exactly the source of the attack. People who do not know what exactly attacked them will create enmities with the other people, the innocent."

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