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Mahathir-NEP

GOVT IN NO HURRY TO ABOLISH NEP, SAYS MAHATHIR

KUALA LUMPUR, June 29 (Bernama) -- The government is in no hurry to abolish the New Economic Policy (NEP) which provides special privileges to Bumiputeras although many of them had become successful even without getting the privileges, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

" We cannot hope that this will continue forever and say that this is our right as Bumiputeras because this would have a weakening effect (on us)," he said at a dialogue after the annual general meeting of the Malaysian Malay Chamber of Commerce, here.

Dr Mahathir said the NEP would be continued but would be modified in accordance with the time and situation.

He said Bumiputeras must learn to compete with others in a borderless world.

"As such, Bumiputeras who are good in business have been encouraged by the government to venture abroad where they don't get any special privileges like those available under the NEP," he said.

On e-commerce, Dr Mahathir said he had proposed to the international community to regulate their business.

"But when we talk about regulations, they (international community) say this cannot be done because this is an era of deregulation," he said.

He stressed that deregulation could bring about negative effects like what happened during the financial crisis when currency speculators were not reined in.

For the time being, the government had not found a solution to protect those engaged in e-commerce, he said.

He said that in e-commerce, there was no agreement which would compel anyone to be penalised if they breached a contract.

He said there had been calls for e-commerce not to be licensed in Malaysia.

Although it was not licensed in the country, e-commerce could be undertaken in other countries and this could mean a loss to the nation, he said.

Another problem regarding e-commerce was that e-commerce companies did not possess any assets. Citing the case of amazon.com as an example, he said, the company which undertakes book distribution only has the addresses of book publishers or bookshops located near their subscribers.

"If something were to happen to the company, investors on NASDAQ will not have any recourse to seek for help," he said.

NASDAQ is an American stock market for small-capitalised companies.

-- BERNAMA

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