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MAHATHIR-GROWTH

MALAYSIA ON THE RIGHT GROWTH PATH

PULAU PINANG, July 2 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today the country is on the right growth path and should achieve a positive growth in the second quarter of the year as targeted.

After contracting about 10 per cent in the last quarter of last year and 1.3 per cent in the first quarter of this year, the positive growth from the second quarter onwards would make the country more attractive to long-term investors, he said.

Launching Intel's RM543 million latest Premium III processor assembly and test factor in Bayan Baru here, he said the opening of the Intel facility was a vote of confidence by the American company in the country's economic climate.

He believed that more such serious companies like Intel would expand or open up their facilities in the country as all point up to an all-out recovery of the country's economy.

"Malaysia had and will always welcome serious long-term investors to the country as they had made the economy strong and been providing good job opportunities to its people," Dr Mahathir said.

The prime minister said these investors had also helped in the people achieving greater sophistication, changing from being mere food and drink manufacturers to high-tech producers just like the foreign investors.

"The government and Malaysians greatly appreciate the confidence shown and the good job done by these serious long-term investors all these years since the country's independence," he said.

"We will always call nice people, 'nice people'. Please do come to Malaysia."

While it welcomed and continued to welcome such investors, Dr Mahathir said, the government would be wary of short-term investors who came only to make short-term gains and would leave the country the moment they found that it was not that comfortable the way they were used to.

He said the country would be able to achieve greater progress and development if political and economic stability continued to prevail in Malaysia, if harmony among its multi-racial people was given its proper attention.

The prime minister said the government was aware that perpetual turmoil in the country as seen in some countries like Kosovo and Northern Ireland would only see the flight out of investors from the country.

He said it was for this reason that the government would continue to give emphasis to political stability and racial harmony in the country by ensuring a good and strong government.

"It is because of this stability that companies like Intel with investment of more than RM6 billion and a workforce of about 8,000, Motorola with more than 10,000 workers, and the Japanese with huge investments have come and continue to come here repeatedly," he said.

Dr Mahathir said these companies knew the truth about Malaysia, that this is a stable country with consistent policy and a good workforce ready to accept any challenge.

He said Malaysia was confident of achieving the 2020 vision with the continued support of its people and the confidence of serious long-term foreign investors in the country's ability to achieve success.

The prime minister said the government also welcomed larger participation from foreign and local investors in the Multimedia Super

Corridor (MSC) that is being developed in the Kuala Lumpur area.

He said the government was doing everything possible, especially in making available trained people who have the capability to absorb high technology knowledge, to serve the MSC needs.

Dr Mahathir reiterated that there would be minimum government interference in the MSC area of development as required under the Bill of Guarantee passed by the government.

"We will help investors develop in the MSC area. There will be close interaction between the government and the private sector here. The government regards the participating private sector as its partner," he added.

The prime minister hoped that investors already in the country would pass this message abroad so that the MSC would be developed as envisaged.

Later, at a news conference, Dr Mahathir said the foreign media had lost their credibility after failing in their effort to run down the country as more and more investors realised now that the bad reports about the country were not true.

He said he had to reply to many of the "nasty" remarks written about the country which had affected investors arrival. Investors are coming in now as a result of such government's action.

Intel Malaysia's vice-president and managing director Wong Siew Hai, in his welcoming remarks, said the excellent infrastructure and the unending support of the federal and state governments had made Malaysia extremely conducive for business.

"We are committed to Malaysia, and delighted to be playing a role in the development of Malaysia's manufacturing company," he said.

Intel, the world's largest computer chip manufacturer, has been operational in Malaysia since 1972 with world-class facilities here and Kulim. It has so far invested US\$1.6 billion in Malaysia and currently employs more than 8,000 workers. (US\$1 = RM3.80)

The company expects to invest another US\$140 million in Malaysia this year. -- BERNAMA

AHH JK SHY