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Rakyat's support allows bold measures to be taken: PM

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THE Government was able to implement economic recovery measures that were contrary to the general thinking of the world's economists because it had the support of the Malaysian people, Datuk Seri Dr Mahathir Mohamad says. With this strong support, the Government had the courage to go against the world and implement selective control measures in a way which had never been tried by any country before, the Prime Minister said.

"We used our own formula, and when we announced it in September last year, many economic experts, world leaders and the foreign media criticised us. They said we were foolish, and that the measures would land us in even deeper economic crisis," he said.

Dr Mahathir was speaking at a "Meet the People" rally in Cheras, Kuala Lumpur, last night, kicking off a two-day tour of the Federal Territory. He said these economists had also predicted a massive outflow of funds when the one-year holding period for foreign portfolio capital expired on September 1 1999, but once again they were proven wrong.

"This shows that we know our economy better than them. In the one-year period that we had these selective control measures we have seen economic recovery that is better than other countries in the region, including those who receive funds from the International Monetary Fund (IMF). We got help from no one," Dr Mahathir said.

Even though there was an economic downturn in Malaysia, unemployment was not rampant, and various promotions and special sales were organised to help traders and businesses to continue to sell their products.

"In 1998, car sales were between 60,000 and 70,000 units. In 1999, we expect car sales to reach 200,000 units. Corporate profits have also increased while the controls were in place, as can be seen from the RM1 billion profits recently announced by Maybank and Sime Darby," Dr Mahathir added.

In addition, although the IMF was initially one of the main critics of Malaysia's measures, its directors have since had to swallow their words and admit in a recent report that the Government's approach has indeed been successful.

"We could do it because we have a strong Government, and I thank the Malaysian people for giving strength to the Government so that we don't have to beg or put ourselves under any foreign power," the Prime Minister said.

Now even foreign experts who once criticised the Government are saying that it would be good for investors if the Barisan Nasional (BN) wins the next general elections by a more than two-thirds majority, he added.

"As long as the people give their strong support to the BN, believe me, God willing, our country will never bow to any foreign power. We will ensure that the country continues to prosper."

He said while the Government has forecast economic growth of 1 per cent this year, foreign experts including those who previously criticised Malaysia have projected growth of up to 4 per cent.

"Never mind if they say 4 per cent or 1 per cent, the BN Government with the strong support of the people will work hard to ensure that growth at the end of 1999 is more than 1 per cent."

Once every five years the Government gives power back to the people for them to elect a government in an election, and will accept whatever decision they make, Dr Mahathir said.

"Whether they choose the existing government or a new government, we accept, because we fully trust the people. And the Malaysian people are smart because they have chosen BN. I am confident that when once again we return power to the people, they will choose BN," he added.

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