

PNB to safeguard equity

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Some have sold their shares for quick gains, says PM

By MING YEW CHOONG

KOTA BARU: Datuk Seri Dr Mahathir Mohamad said giving shares to competent and capable bumiputra individuals had proven to be an appropriate way for the Government to create wealth for the bumiputras.

The Prime Minister said the Government no longer adopted the past practice of indiscriminately giving away shares as some recipients had sold their shares for quick gains.

"That was why we set up Permodalan Nasional Bhd (PNB) to ensure that the bumiputra equity will not be diluted," he said, adding that holders of PNB shares can only sell them back to the government.

He was speaking to reporters at the launching of the national-level Malaysian

Unit Trust Week and the latest unit trust fund by PNB, the Amanah Saham Didik, here yesterday.

Dr Mahathir refuted allegations that only "select friends of the government" have benefited from the government's policies of wealth distribution.

"It is impossible for PNB, which has stakes in 300 companies, to manage each of them by itself.

"Hence, the need to call upon selected individuals to do the job," he added.

Defending the government's move to allow some entrepreneurs to take up sizable stakes in the economy, especially in public listed companies, the Prime Minister said:

"The individuals are picked according to their competency and credit worthiness. The NEP benefits

everyone, and not so-called cronies as alleged."

Dr Mahathir said the amount of shares given out to these people was insignificant compared to the RM36bil of funds managed by PNB.

"Yes, some companies ran into trouble during the recession, but it was never our intention to help certain people during those times. There was no favouritism.

"However, if these business go down, then a lot of people dependent upon these businesses, like workers, will also suffer. Thus, under certain circumstances, we will have to buy back the shares," he said.

Asked if he was satisfied with the achievements of the present crop of bumiputra entrepreneurs, Dr Mahathir replied in jest: "I've never been satisfied. I always want

them give them more."

He said Malaysia still managed to record economic growth despite being involved in a major exercise of social reengineering.

He refuted allegations that Malaysia was in debt to the tune of RM1tril.

"That remark was made in Parliament, but I challenge those who made it to come up with proof that we are indeed that indebted. In fact, we are one of the smallest debtors, and our debt is not more than RM100bil.

On the call by the Human Rights Commission of Malaysia (Suhakam) for the police to approve permits to hold peaceful assemblies, he said:

"We will take care of that. But while we practise democracy, it does not mean that people can do whatever they want.

"Change must be achieved not through demonstrations or war, but through elections."

On Suhakam's call for a review of laws deemed to have infringed upon human rights, such as the Internal Security Act and the Official Secrets Act, Dr Mahathir said: "That is only Suhakam's opinion."

"For us, when certain personal liberties are upheld, other people also stand to lose their freedom.

"For example, road demonstrations threaten not only the government, but also traders and businesses," he added.

"As such, we cannot uphold the rights of just one group to demonstrate, unless they are doing it in the middle of the sea. Just don't disturb others," said Dr Mahathir.