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Dr M: Only RM200m of RM3b stimulus package used

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PETALING JAYA, Mon. - Prime Minister Datuk Seri Dr Mahathir Mohamad said today despite the Government's efforts to boost the economy, only RM200 million of the RM3 billion fiscal stimulus package has been utilised.

Urging Malaysians to put in greater effort, he said such a tiny push was not going to do much to stimulate the economy.

"The rate of spending is poor. If we push just an inch, it's not going to work. There are a lot more things we can do," he said at a dialogue after opening a conference on the National Vision Policy, Eighth Malaysia Plan and Privatisation.

Dr Mahathir, who is also Finance Minister, was asked about the measures taken to counter problems caused by the United States economic downturn.

The RM3 billion pre-emptive package was unveiled in March, in addition to the RM26 billion allocated under Budget 2001.

It included measures to stimulate domestic demand and bring forward implementation of major socio-economic and infrastructure projects.

Dr Mahathir said the Government also wanted companies to seek new markets for their products, noting that they now preferred to sell through a third country or other companies.

"We are a bit lazy. We should go right to the customers in those countries," he said, adding that during his recent trip to Yemen, he found that they were eager to buy Malaysian goods.

He also said the Government would like to see more consumer spending to boost the retail sector.

Asked about the Government's stand on globalisation, Dr Mahathir said Malaysia was for globalisation but not in its present form where it merely meant free movement of capital. He said the market was not concerned about a country or its people.

He added that developing countries had to protect themselves, citing for example Malaysia's small automotive industry which produced about 300,000 cars a year.

Dr Mahathir said the world's car manufacturers, now merging into just five giant companies, would want to dominate the world and buy up Malaysia's industry.

"We would lose our industry which is important as a catalyst for our engineering industry," he said.

He cited the banking industry as another example, saying if the banks were controlled by foreigners, Malaysia would lose control of its own economy.

"If we must have globalisation, do it in stages. Let the weak countries upgrade until they can protect themselves. Let's not talk about a level playing field ... until the players are of the same size," he said.

He also said Malaysia did not want a second round of the World Trade Organisation talks until the developed countries fulfilled their undertakings to developing countries as agreed in the first round.

On social problems brought by rapid development, he said the Government realised the destabilising effects but cannot afford to backtrack.

"The Government is trying to tackle the problems. I hope we get the support when we take measures which are unpopular."

He also said the younger generation should try to understand that there must be give and take between the races and different classes of people like workers and employers. "They need to make sacrifices and equip

themselves with the skills to make a success of themselves," he said.

Asked about the brain drain of Malaysians to other countries, he said it was inevitable but the Government was making an effort to keep training Malaysians and absorbing them into the workforce.

"I can't propose any solution but it helps if people have a sense of patriotism," he said.