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Dr M: We will continue to help viable firms hit by external factors

LANGKAWI, Sun. - The Government will continue to help viable companies which are affected by external economic factors, Prime Minister Datuk Seri Dr Mahathir Mohamad said.

He said the Government cannot allow such companies to go bankrupt as they have the potential to contribute to the nation's development.

"We will help to revive ailing companies and also other new companies to realise the objectives of the New Economic Policy and the National Economic Policy," he said.

If the affected companies could not recover from their problems during the Seventh Malaysia Plan, assistance would be continued under the Eighth Plan, he told reporters after a one-day working visit to Langkawi during which he visited ongoing and new projects.

Dr Mahathir said there were certain outside forces that did not want the Malaysian companies to succeed in their businesses and contribute towards national development.

He said it must be emphasised that the ailing companies were doing well before they were hit by the currency crisis and not because they were inefficient.

No giant company anywhere in the world could withstand a 50 per cent drop in the currency value and a crash of the stock market, he added. "It is not the companies' fault but due to foreigners who wanted to profit (from such happenings)."

Dr Mahathir said, however, the Government could not help all companies facing problems.

On the Eighth Malaysia Plan which will be the thrust for realising the 2020 Vision of becoming a developed nation, Dr Mahathir said the plan would continue to focus on poverty eradication.

Under the Seventh Plan, the Government could not effectively eradicate poverty because of the economic slowdown from 1997 to 1999.

Dr Mahathir said the Government had taken measures to offset the effects of the current slowdown of the United States economy.

Despite these measures, including the RM3 billion additional allocation announced last week to cushion the impact of the US economic slowdown, the effects will still be felt.

To boost the economy, the Government will exploit information technology to increase productivity and efficiency.

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