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`Political differences not the cause of drop in US investments'

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THE slower US trade and investments into Malaysia is not a result of disagreements between the two countries over Malaysia's internal affairs, says Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi.

Abdullah, who is also Home Minister, said trade and investments are decided by traders and businessmen, and not by differences on issues such as the recent arrest of several opposition members under the Internal Security Act (ISA).

"We have differences with the US Government on many issues but that have not, in many years, affected the investment sentiment among the US businessmen... as far as politics go, it is a matter between the two governments," he told reporters after officiating at the 15th Industry Trade Fair Malaysia (ITM 2001) in Kuala Lumpur yesterday.

The US State Department, according to an agency report on Wednesday, had expressed its concern over the detention of four activists under the ISA.

Earlier in his speech, the Deputy Prime Minister said the Malaysian economy, like most regional economies, is once again having its resilience tested by external economic factors, including the softening of the US economy and the rapid pace of globalisation.

"Without doubt, these external pressures impact on the performance of our national economy, especially the export-oriented manufacturing sectors," he said.

In February this year, the US was Malaysia's trading partner, registering the highest surplus of RM2.27 billion against RM1.07 billion in January. The surplus stood at RM26.98 billion for the full year of 1999 but fell to RM24.72 billion last year.

According to statistics released by the Malaysian Investment Development Authority, between January and March this year, the US' capital investment in the country fell to RM4.93 billion compared with RM7.49 billion during the corresponding period last year.

The ITM 2001 has attracted 521 companies from 23 countries, including China, Germany, India, South Korea, Taiwan and the UK. The annual event managed to secure 14 per cent more participations this year and occupied 8,000 sq metres of exhibition space.

Bernama reports: Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi yesterday brushed aside rumours that he will be appointed new Finance Minister to replace Tun Daim Zainuddin who resigned last week.

Abdullah said he knew nothing about who Daim's successor will be.

Daim resigned from all government and party posts on Friday but remains Member of Parliament for Merbuk.

"Why don't you ask the Prime Minister? I don't have anything to do with appointment of ministers," Abdullah told reporters when asked on rumours that he would be the next Finance Minister.

Abdullah said for the time being, Dr Mahathir is the acting Finance Minister and Special Functions Minister, both posts vacated by Daim.

When asked about Daim's successor as Umno treasurer, Abdullah said Dr Mahathir is acting party treasurer for the time being.

Asked when the new Umno treasurer will be appointed since the party will hold its general assembly soon, Abdullah said: "When the president of the party (Dr Mahathir) feels that the appointment should be made."

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