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Results of stimulus measures can be seen by year-end: Mustapa

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RESULTS from the Government's recent fiscal stimulus measures to cushion the impact of the US economic slowdown can be seen by the end of the year, adviser to the National Economic Action Council (NEAC) said.

Mustapa said the pre-emptive measures, which include a RM3 billion fiscal package, take some time to show its result.

"We acknowledged that the country's economy will be slightly affected, so we revised our (gross domestic product) forecast from 7 per cent to 5 per cent.

"The impact from the pre-emptive measures will take some time to materialise.

"God willing, it will, by end of this year... we can reduce the impact from US economic slowdown," he told reporters after the opening of Umno General Assembly by Prime Minister Datuk Seri Dr Mahathir Mohamad in Kuala Lumpur yesterday.

The US economic growth is expected to fall to between 2 and 2.5 per cent from 5 per cent last year.

Malaysia's exports, particularly from the electronics sector, is suffering from the downturn in the global electronics sector and slackening demand from the US.

The US absorbs about 20 per cent of Malaysian exports, of which 60 per cent consisted of electrical and electronics goods.

Mustapa, who is also Umno Supreme Council member, said retrenchments, particularly in the electronics sector, have stabilised.

"We are monitoring the situation and we see that the trend is not worrying," he said.

He said retrenchments now have returned to its normal level.

Asked on the Government's measures to counter the attack from foreign media on the country's economic measures, he said the Government has held meetings with fund managers and foreign investors to explain to them about the steps taken by the Government.

"We found that from the face-to-face meetings, they get the real picture.

"Unlike those who live overseas, foreigners who are familiar with our country and understand the structure of the economy, support the steps that we have taken," he said.

On whether the Government's efforts are effective, he said it is not easy as the foreign media network works like an "extensive machine".

"It is not easy but we feel that the best way is to prove our success as 'action speaks louder than words'.

"Our success and performance, as shown by statistics, clearly indicate that their (foreigners') predictions are untrue... these are the strongest evidence to counter their criticisms," he said.

Earlier, Dr Mahathir, who is also Umno president, spoke about attempts by foreigners to re-colonise Malaysia by attacking the Government.

He said foreign media loathes Malaysia because all their predictions about the country, dated back from the country's independence until the current Government economic measures, did not materialise.

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