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US investments won't be hit

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KUALA LUMPUR, Thurs. - The arrest of four activists under the Internal Security Act will not affect investment from the US, Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi said today.

Although the US had stated its opposition to the detentions, he believed their businessmen would continue investing in Malaysia as both matters were not related.

"It is up to US investors. Both countries have had differences before this but it has not in any way affected the investment sentiment among their businessmen.

"They continue to invest here and Malaysia continues to have trade with the US. This is a very healthy sign because it shows trade and investment are matters to be decided by businessmen while politics is left to governments."

He was speaking after opening the 15th Industry Trade Fair Malaysia (ITM 2001) at the Mines International Exhibition Centre in Seri Kembangan.

The Deputy Prime Minister was asked whether the "deep concern" expressed by the US State Department over the detentions and Malaysia's response advising the US not to interfere could effect trade and investment.

Abdullah, who is Home Minister, said he had met many US businessmen who viewed Malaysia as a good place to invest.

The four arrested under the ISA are Parti Keadilan Nasional vice-president Tian Chua, its Youth chief Mohd Ezam Mohd Noor, Saari Sungib and social activist Hishamuddin Rais.

Abdullah was also asked on rumours that he might be appointed Finance Minister to succeed Tun Daim Zainuddin who resigned on June 1. He told the foreign reporter who asked to direct the question to Prime Minister Datuk Seri Dr Mahathir Mohamad.

"Why don't you ask the PM? I don't have anything to do with appointments of Ministers. I know nothing about who is going to be Daim's successor... the PM is now acting Finance Minister."

On the candidate to succeed Daim as Umno treasurer, Abdullah said the post was also now held by Dr Mahathir.

On a demand reportedly made by the Abu Sayyaf group for a former Malaysian senator to negotiate for the release of hostages held by them, Abdullah said there was no need for Malaysia to get involved.

He said the Philippine Government was capable of handling the matter on its own. "They are actively pursuing a solution to the matter now, so there is no reason for us to be involved."

Earlier in his speech, Abdullah said trade fairs like ITM 2001 were an ideal platform for local manufacturers to keep pace with the latest industry and global market developments and to complement Government initiatives to promote and develop stronger small-and-medium enterprises.

He said SMEs played an important role in supporting national industrialisation efforts.

"The adverse impact of the economic slowdown on SMEs and the globalisation of the world economy underscore the need for such enterprises to become more resilient and competitive."

Abdullah said the Government would continue to provide support like financial assistance, infrastructure facilities and support services in strengthening SMEs as a means of encouraging domestic investment.

He said industrial sites would continue to be provided at affordable

prices to SMEs, adding that under the 8th Malaysia Plan, RM131.9 million had been allocated as soft loans to state economic development corporations to develop SME industrial parks.