

# Pressure to open up our industries

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## Dr M: Malaysia will defend its policies

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KLJALA LUMPUR, Wed. Datuk Seri Dr Mahathir Mohamad said Malaysia was facing pressure to liberalise and open up its industries, including allowing foreign companies unimpeded access to sectors like banking and finance.

Rich nations which were Malaysia's trading partners, said the Prime Minister, were demanding that policies like those favouring the Bumiputera be rescinded to create a "level playing field".

He said the developed countries had prepared a memorandum aimed at dismantling the conditions and regulations, such as on Bumiputera quotas.

But Dr Mahathir said Malaysia would try to defend its policies.

"We want to see what type of pressure they want to apply on us," he told a Press conference after addressing a Workers' Day rally for public sector staff at the National Institute of Public Administration.

The Prime Minister had earlier in his speech advised workers to have a better grasp of the dangers of globalisation and the reasons behind government policies like restrictions on foreign investment.

He emphasised that the Government had to exercise caution to avoid repeating costly lessons like when it agreed to the 40 per cent local content under the Asean Free Trade Area.

He said Malaysia's national car, with 90 per cent local content, costs more compared to foreign cars produced by other Asean countries which put in low value-added parts of up to 40 per cent to qualify for the policy.

On Malaysia's plans to use the gold dinar for international trade, he said no decision had been made yet.

"It is not easy for people to accept this new thing but we are confident about several countries that have close ties with us," he said.

Dr Mahathir said as Malaysia had bilateral payment arrangements with 24 countries, the gold dinar

could be used for trade with these nations as well as others interested in participating.

The Prime Minister was also asked on reports in a weekly tabloid alleging that Puteri Umno pro-tem chief Azalina Ahmad Othman was a lesbian and had misappropriated party funds.

Describing it as an attempt to destroy Azalina politically, Dr Mahathir said there was no need for her to take the matter to court as the accusers' motive was to "make money from the accusations".

"You sue the person and they will come and make all kinds of accusations which get spread out in the Press. At the end of it, the accused is found innocent but at that time, you're finished."

Dr Mahathir, who is Umno president, said the claims were the work of bankrupt people.

*Perdana Sari*, with Khalid Jafri as its publisher and chief editor, had carried stories of Azalina's alleged affair in its second, third and fourth issues since hitting the streets on March 31. Azalina has described the allegations as malicious.

Dr Mahathir said he was of the opinion that people who used newspapers to slander others should not be given the licence to publish.

Asked whether Azalina's reluctance to sue Khalid would lend credence to the claims, Dr Mahathir said hauling someone to court was not that easy.

"I have been accused of a lot of things. I know what they want to do. They want to have publicity, run down and pick out all kinds of things relevant or not."

Dr Mahathir said it was not coincidental that the accusations surfaced only now. "Why didn't they claim she is a lesbian before? This is not about the accusation but just a way to throw mud at people and thinking you are safe because you can hide behind the court."

On the two sen hike in petrol price, Dr Mahathir said it would not have much impact. "We have been subsidising for a long time and we cannot go on doing so."

On whether any decision had

been made on the revised New Remuneration Scheme, Dr Mahathir said the matter was still being studied.

Earlier in his speech, Dr Mahathir stressed the need for Malaysian workers to acquire knowledge to face globalisation.

"In human civilisation, the acquisition of knowledge is important as without it, the country will not progress. If workers did not possess knowledge, they will make decisions based on emotions. But when we are knowledgeable, our decisions will be more rational and made in the interest of all parties the Government, employers and employees."

The Prime Minister also elaborated about a "powerful weapon" possessed by workers.

"They have a powerful and effective weapon as they can resort to strikes to pressure the Government to bow to their demands. The weapon, however, is only good if it is put to good use."

He added that they should not make decisions based on emotions, out of anger, based on racial considerations or adopt a confrontational attitude as these would not be fruitful.

"In the West, problems are resolved via a test of strength. But here, what is important are ties among the Government, employers and workers."

"All three parties have important roles to play in developing the country and the fruits of their labour should be fairly distributed."

On globalisation, Dr Mahathir said some quarters used capital as a weapon to conquer the world and forced developing countries to pawn their independence.

"When capital comes in, it is good, but when it leaves, the country is crippled and faces difficulties. This happened to Malaysia in 1997. We lost US\$250 billion and they thought we should not stop them. When we stopped them, they criticised us."

Later, Dr Mahathir presented insurance payment cheques to three recipients of Cuepac's Living Day Barakah Scheme and contributed to Cuepac's Palestinian Fund.