

Dr M sends wake-up call to Malaysians

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by Yong Soo Heong

KUALA LUMPUR: News of Datuk Seri Dr Mahathir Mohamad's intended retirement initially sent shock waves through the local business community but his subsequent retraction brought a welcome relief.

"What's going to happen to the stock market?" one businessman asked when he first heard news of Mahathir's resignation from his positions in Umno and the Barisan Nasional.

Mahathir's pro-business stance under the Malaysia Inc concept has been a boon to entrepreneurs in view of the conducive business climate.

But calm subsequently prevailed when Deputy Prime Minister Datuk Seri Abdullah Badawi announced Mahathir had retracted his earlier decision.

An analyst, when asked to assess the impact on the business community if Mahathir had not retracted his decision, said the KLSE might be affected.

"Luckily, he has chosen to stay on. The private sector has much to thank him for, especially in attracting foreign investors.

"He has led countless number of trade and invest-

ment missions abroad to invite investors to come to Malaysia and to pave the way for local entrepreneurs to do business abroad."

Another analyst said Mahathir has changed the profile of Malaysia's export mix from one that was primarily agricultural to manufacturing. Of the RM334.4 billion worth of exports last year, 85% came from manufactured products.

Mahathir's good grasp of economic issues has always been a source of encouragement for businessmen.

Since becoming prime minister in 1981, Mahathir has initiated various reforms in terms of investment incentives and the tax structure, a tax consultant said.

For instance, he gradually brought down the corporate and income tax which stood at 35% at one time to 28% at present.

Another example of his sure-footedness in economic matters was his bold advocacy of selective capital controls in the aftermath of the 1997-1998 currency crisis.

Pegging the ringgit at RM3.80 to the US dollar over the last four years has helped businesses operating in the country to be cushioned from the vagaries of foreign currency fluctuations.

One technopreneur run-

ning a multinational e-business company in the Multimedia Super Corridor (MSC) said Mahathir's guidance was still needed in the information and communications technology sector.

"There is still plenty to be done in the MSC and we need him to be around to move the project forward."

A brainchild of Mahathir in the creation of leading edge information technology products and services, the MSC has 684 companies which have been accorded MSC-status companies and almost 600 of them are already operating.

But another analyst said Mahathir had emerged stronger "in the aftermath of Saturday's events".

He said the prime minister had amassed greater clout now that Umno members have persuaded him to stay on. With the "fresh mandate", Mahathir would be able to implement initiatives like emphasis on meritocracy, English language and stronger work ethics.

The analyst said the prime minister had sent a timely jolt to Malaysians in that they cannot remain complacent in the face of greater competition.

"This shock wave is certainly a timely wake-up call for the country." - Bernama