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MUSTAPA-PRIVATISATION

MUSTAPA: UNFAIR TO SAY PRIVATISATION POLICY HAD FAILED

MELAKA, April 22 (Bernama) -- The executive director of the National Economic Action Council (NEAC), Datuk Mustapa Mohamed, today said it was unfair to say that the government's privatisation policy had failed as a result of problems faced by a few companies which had been privatised by the government.

"It is not fair to evaluate the performance or problems faced by just a few companies and then say that the entire privatisation policy of the government had failed," he told reporters after presenting a paper on "Thoughts on the economy" at a Colloquium on Dr Mahathir Mohamad's thoughts here today.

Mustapa said on the whole, the government's privatisation policy had been successful and had benefited citizens and besides enabling the privatised entities to be profitable.

"We view the privatisation of Telekom Malaysia, Tenaga Nasional and various highway projects as having contributed to the nation's economic growth," he said.

Mustapa said the problems of privatised entities were usually due to the fact that they had been unable to withstand the pressures of the 1997 downturn as a result of the drop in the exchange rate of the ringgit and global competition.

He, however, said that efforts of the government in revitalising the nation's economy had helped some of these privatised entities to improve on their performance.

Mustapa said those measures included the stimulus package introduced last year and they had increased the confidence of the people and foreign investors on the capability of the government in handling the economic downturn.

"The positive feedback from local and foreign investors had enabled the country to be stable and they continue to be convinced of the economic management of the country led by the prime minister," he said.

When presenting his paper earlier, Mustapa said the reputation and credibility of Dr Mahathir in his thoughts and ideas had attracted the interest among local and foreign investors because of their consistency.

He said the prime minister's thoughts, which had been communicated in an easy-to-understand manner, had enabled Dr Mahathir to establish the nation's major agenda which were subsequently well-received by the people when implementing the economic objectives.

Stating an example during the 1997 economic crisis when Malaysia did not receive any help from the International Monetary Fund, Mustapa said Dr Mahathir had taken a pro-active stance himself by explaining to investors, fund managers and financial experts himself at financial institutions, road shows and interviews and these had enabled the nation's economy to recover and stabilise.

He said the experience in handling the 1997 economic crisis had enabled Malaysia to overcome the negative effects of the US economic downturn in 2001 and avoid the economic tailspin in the aftermath of the Sept 11 attacks.

Dr Mustapa said Dr Mahathir was a leader with vision and possessed a special brand of boldness when handling problems which did not usually follow the usual conventions whether in terms of theory or strategic thinking.

"With the tireless efforts of the prime minister, Malaysia is today a role model among developing countries. With her active participation at international economic conferences, Malaysia's views are now regarded as important because the prime minister had been bold enough to voice out the hopes and aspirations of developing countries."

Mustapa also cited the policies of Dr Mahathir after he became prime minister which included the Look East Policy, Malaysia Incorporated, National Development Policy and the establishment of NEAC. -- BERNAMA

SBS SHY