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Mahathir-Economy/BM

NATIONAL ECONOMY CAN GROW BY MORE THAN FOUR PER CENT

KUALA LUMPUR, May 31 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad is confident that the national economy is capable of growing at a much higher rate than what was projected earlier.

The Malaysian economic growth had been projected to exceed four per cent following the encouraging recovery of the national economy, he said.

He said this in his speech at the investiture in conjunction with the birthday anniversary of the Yang di-Pertuan Agong Tuanku Syed Sirajuddin Syed Putra Jamalullail at Istana Negara.

Dr Mahathir had previously said that the Malaysian economy was expected to grow by 3.0 per cent this year while Bank Negara had projected a growth of 3.5 per cent.

In the first quarter of this year, the country's gross domestic product (GDP) grew by 1.1 per cent.

The Prime Minister said the country's economic recovery was assisted by the growing confidence shown by foreign investors especially from the United States (US) to be active again in international trade, particularly in this region.

The US, which is Malaysia's biggest trading partner, has started to recover from the economic recession after the Sept 11 tragedy and is again importing Malaysian products, especially electronic goods.

"Foreign investors have also contributed to Malaysia's rapid economic recovery by investing directly in this country either in new industries or by expanding their operations.

"The same is also true for investments in the stock market. Malaysia's credit rating has also improved," Dr Mahathir said.

He said the national economy was now on a sound footing following the effects of the government's strategy in rejuvenating it, the special allocation to stimulate the economy and the opening of new export markets.

The Prime Minister said the country's success in tackling the external economic pressure had strengthened the people's confidence in the government's ability to handle crises.

Such confidence had also reduced the effects of the moves by certain irresponsible elements within the society which would only hinder efforts at economic recovery, he said.

At the same time, Malaysia managed to remain free from seeking foreign assistance such as from the World Bank and International Monetary Fund (IMF), Dr Mahathir said.

"This enabled us to retain our freedom in managing our national affairs, whether in internal or external matters," he said.

He also expressed gratitude because Malaysians were mature, moderate and cooperative in helping the government to overcome problems that were being faced by the country.

"In fact, the people had sacrificed much to ensure the success of the efforts at economic recovery drawn up by the government," he said.

Dr Mahathir also expressed the confidence of cabinet members and that of the civil servants in attaining economic growth and rapid development during the reign of Tuanku Syed Sirajuddin as the King.

However, he expressed regrets over the activities of non-governmental organisations (NGOs) which received foreign aid to prevent the people from enjoying prosperity.

These included the attempts to obstruct the supply of water and

electricity as they claimed that these would destroy the environment.

"They must remember that in those countries which were giving financial assistance to them, their environment had long been destroyed to obtain cheap water and electricity supply to develop their economy," he said.

"Malaysians who are willing to be exploited by them are actually traitors to their own country and people.

"While we should preserve our environment, we should not be too extreme to the extent that we hinder economic growth for the prosperity of the people. Our country is not that developed that we can act as as though we live in a wealthy nation," he pointed out.

However, Dr Mahathir said the majority of the people were very loyal to the country, they did not create problems and strived hard to assist in national development.

The people would work wholeheartedly and confidently with the government in tackling whatever challenges including globalisation, the opening of the boundary and the coming of the information and telecommunication technology (ICT), he said.

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