

19/11/2002

PM: Move can hurt us (HL)

M.K. Megan

KUALA LUMPUR, Mon. - The Government is disappointed with several countries which have placed Malaysia high on their "danger list" of places to avoid, a move which could result in dire consequences for the nation.

"Such a move could affect tourism and inflow of foreign investment into our country," said Prime Minister Datuk Seri Dr Mahathir Mohamad at the tabling of the 2003 Budget in the Dewan Negara today.

Dr Mahathir, who is also Finance Minister, said certain international events scheduled to be held here had also been cancelled.

His speech was read by Deputy Finance Minister Datuk Shafie Mohd Salleh.

Dr Mahathir said the negative travel advisories issued by these countries to their citizens followed several incidents worldwide since September when he tabled the 2003 Budget in the Dewan Rakyat.

The world had been shocked by the bombings in Bali and several other similar incidents in the Philippines.

Dr Mahathir also mentioned the hostage drama in Moscow involving the Chechen separatist group.

"The possibility of the United States attacking Iraq and the tension in West Asia will not help the international economy in any way but will only increase tension between Muslims and non-Muslims.

"With such threats looming internationally, our country has not been left out. All kinds of accusations have been hurled to smear our image.

"They are not happy to see our country successful and peaceful."

Dr Mahathir said Malaysia maintained a firm stand on terrorism.

"We recently foiled an attempt by a group which tried to disturb public order and overthrow the Government through violence."

The Prime Minister said Malaysia had organised several international forums in the fight against terrorism and had also signed an agreement with the United Nations on the matter.

"We have in fact agreed to a proposal by the United States to set up an anti-terrorism training centre here."

He said the world economy was expected to grow by only 2.8 per cent this year compared to 2.2 per cent last year due to external factors.

Malaysia's economy this year was, however, expected to register at least four per cent growth due to several positive developments in the country, like the increase in palm oil price from RM859 last month to RM1,568 this month.

Next year, the world economy is expected to grow by 3.7 per cent with international trade growing at 6.1 per cent.

"Given Malaysia's strong fundamentals and a flexible and pragmatic economic management, our gross domestic product is expected to grow between six and 6.5 per cent next year," he said.

"The national deficit too is expected to drop to 3.9 per cent of the GDP compared to 4.7 per cent this year."