

03 MAY 2003
ECONOMY-REVIEW
M'SIA'S ECONOMIC GROWTH MAY BE REVIEWED

KUALA LUMPUR, May 3 (Bernama) -- Malaysia's economic growth may be reviewed as the World Bank has recently cut down its regional forecast on East Asian economies following the Severe Acute Respiratory Syndrome (SARS) outbreak, Second Finance Minister Datuk Dr Jamaludin Mohd Jarjis, said here today.

"We are studying this (the World Bank review)," he told a press conference after a dialogue with UMNO Youth which lasted for more than an hour.

The government has earlier forecast a 4.5 percent growth for 2003 and 6-7 percent for 2004.

Jamaludin said that some sectors, especially tourism, has been affected by SARS, but local tourism could still be promoted and those concerned should take this opportunity to push for domestic tourism.

He said that there was no need to worry as SARS was not homegrown.

Meanwhile, Malaysia could be proud of the fact that it was among seven countries consulted in the earlier draft of the communique for the reconstruction of Iraq after the war during the International Monetary Fund (IMF) meeting in Washington last month.

Jamaludin, who attended the meeting, said that apart from Malaysia, the US, the UK, Russia, France, Germany and Japan were given the draft for consultation first before the communique was distributed to other members.

He said that this indicated the respect the IMF has for the country under the leadership of Prime Minister Datuk Seri Dr Mahathir Mohamad.

This follows the reaffirmation by IMF that the Malaysian capital controls created to handle the 1997/98 financial crisis, were accepted as a model of recovery, Jamaludin said.

Meanwhile, during the dialogue, Jamaludin was asked by an entrepreneur as to how his information technology (IT)-based company could compete with the presence of government agencies such as MIMOS Bhd in the same business.

To this, he said that the matter would be dealt with.

He explained that previously there were lack of capable bumiputeras in the IT business and as such government agencies had to come in.

However, now, with the presence of more able bumiputera companies, there would be a need for government agencies involved in the same business to withdraw, he said. -- BERNAMA

SHO FR