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Positive response for nation and future

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A COUPLE of things stand out, to me, in the economic stimulus package announced by the Prime Minister Datuk Seri Dr Mahathir Mohamad last Wednesday.

First, the Government's will and determination to take the economy past the difficulties caused by the SARS outbreak and by uncertainties following the invasion of Iraq, both of which have weakened external demand and undermined our diversification of export markets.

Second, the Government's creativity in fashioning a mixed bag of measures, both directly ameliorative and more generally demand boosting, without stretching its fiscal position by gathering financial resources available in the system which has ample liquidity but with a sticky delivery process.

There has to be a positive response, on both counts, to be equally determined and committed to push our economy forward through expansion of domestic demand and to improve delivery systems, be they of financial resources, or private and public service.

This is our country, our economy and our future. We are in it together and, surely, we would want to succeed for our sake and our children's sake. In the last generation, we had done extremely well economically despite the glitches of the mid-eighties and of 1997-98, when we experienced negative growth rates. But we had overcome them and come roaring back, even if it has not been with such great thunder since 1998.

The world economy this century has been sluggish. But the Malaysian economy has been able to achieve a growth rate above most others, in large part because of the will and determination to do well in an environment conducive to do just that - for which both the Government and the people must take credit.

The economy has expanded this past year more than Hong Kong, Taiwan or Singapore, and certainly faster than the US or Japan. We did well with 4.2 per cent growth last year and are on track for 4.5 per cent this year.

The SARS outbreak, however, has been a severe jolt, hitting tourism-related industries directly and cascading out to various other service sectors. It is, however, not comparable in economic terms to the grim conditions of the 1985-86 recession and the 1997-98 financial crisis, even if it has that pervasive human dimension - fear. This dents confidence and the feel good factor which, if prolonged, can cause the economy to go into the depths of the two previous occasions.

With the SARS at least on hold in the primary outbreak countries, and the position in Malaysia totally under control, we should use the