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Malaysia unlikely to achieve Vision 2020, says Dr M

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PUTRAJAYA: Former prime minister Tun Dr Mahathir Mohamad doubts Malaysia will achieve Vision 2020, which was mooted during his time.

He attributes his pessimism to weak governance, lower growth rate, and political instability.

The objective of the vision is to achieve the status of an industrialised and a fully developed nation by 2020.

Responding to questions after speaking on "Global Financial Uncertainties and the Future of Malaysia" at the Bridges Dialogues Towards a Culture of Peace, facilitated by the International Peace Foundation, here yesterday, he said: "I don't think we will be able to achieve Vision 2020 because, unlike most other countries in this region, we are facing political instability for the first time.

"This is something we are not familiar with and we have to resolve all these and focus on achieving our growth target.

"So, at the moment, I don't think we will be able to achieve Vision 2020."

Mahathir said that when the 30-year plan was launched, Malaysia had a growth rate of 8% per annum over the 10 years before that.

"Then the 1997/98 economic crisis pulled us back and we also did not anticipate the radical changes to the administration of the country."

He described the present government as weak and pandering to the demands of some quarters in a bid to regain its popularity.

"The result of this is not a liberal society but we are seeing some resurgence in racism involving all ethnic groups and this will affect the country's

economic stability," he said.

This will make the handling of the economic crisis more difficult.

Mahathir said he doubted the success of the growth corridors launched by the government as the infrastructure and preparations in the targeted areas seem to be neglected. "It is over-priced and much of the money involved will not be going into construction," he said.

He said the solution does not lie in increasing salaries to help people cope with the rising costs.

The key is reducing expenditure without hurting too many people, he said. "We have to downsize and reduce costs involved even in the government for now and allocate funds for things that can contribute to growth," he said.

Mahathir said the global economic crisis this time should be handled together by all countries in the world and there needs to be focus on revamping the global banking and regulatory systems and international monetary regime.

The handling of the crisis by small groups of countries will see these countries coming up with solutions which benefit them, he said. If this is not done, all other solutions will merely be cosmetic.

Prof Robert Fry Engle, Nobel laureate for Economics and the Michael Armellino professor of finance at New York University's Stern School of Business, who also delivered his theories at the talk, agreed.

"We are all in this together, so there is a need to look for a cooperative situation to resolve the situation," he said.

He said he could not determine how long this crisis would last but said the key to resolving it was cooperation.

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