

TYCOON DAIM TAKES FINANCE

Razaleigh moved to Trade and loses two Umno posts

KUALA LUMPUR, Sat. — Millionaire entrepreneur Daim Zainuddin, 45, has been catapulted into the Cabinet as Finance Minister — and also appointed Umno treasurer.

Former Finance Minister Tengku Razaleigh Hamzah now has the Trade and Industry portfolio and apart from losing the party treasurer's post, has also been replaced as Kelantan Umno chief. He now holds no national or state party post.

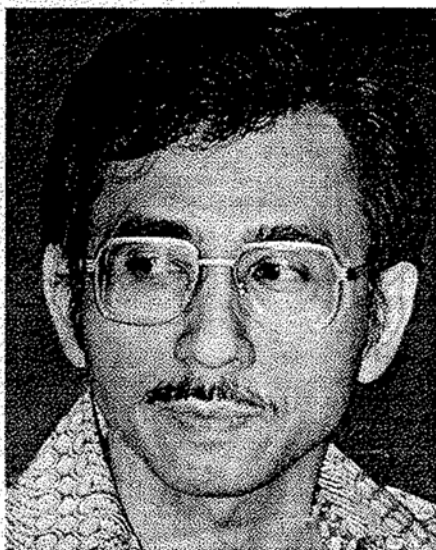
Prime Minister Datuk Seri Dr Mahathir Mohamed named his surprise choice of Finance Minister when he announced his new Cabinet lineup today, appointing three new Ministers and five new Deputy Ministers, and creating a new Justice Ministry.

Three Ministers from the old Cabinet resigned and were left out of the list: Tan Sri Ghazali Shafie (Foreign), Datin Paduka Aishah Ghani (Welfare Services) and Datuk Manan Othman (Agriculture). All were defeated in the Umno elections in May.

Datuk Mohamed Rahmat, Ambassador to Jakarta, ceases to be Minister without Portfolio, but the Prime Minister said he will retain "Cabinet status" although he will not be able to attend Cabinet meetings.

The Prime Minister has also appointed an academician with no political background as Deputy Minister in the Prime Minister's Department. Prof Madya Dr Yusof Mohamed Nor, deputy vice-chancellor (students' affairs) of Universiti Kebangsaan, holds no party post. Nor is he an elected representative. He is an ordinary Umno member.

For the past several years, however, he has been involved in the Umno religious bureau, Islamic



Encik Daim... the new Finance Minister who is known more for his business acumen than political know-how.

- The full government lineup. — P3
- Rahim: Once the centre of controversy. — P2
- Kelantan Umno leader surprised. — P3
- Well-balance team, say Cabinet members. — P3
- Ghaz will continue to serve. — P3
- Why the Justice Ministry was set up: PM. — P4

consultative body and Islamic affairs development committee.

Datuk Abdullah Haji Ahmad Badawi has been appointed to the important Education portfolio.

The appointment of Encik Daim came as a surprise because although he is well known in business circles — he holds large personal stakes in several major publicly-listed companies — he has a low political profile, only being elected as MP for Kuala Muda, Kedah, in the 1982 general election.

Encik Daim will have to relinquish his business interests and transfer assets to a family holding which cannot be actively promoted as long as he is on the Cabinet.

On the appointment of a Finance Minister known more for his business acumen than political know-how, Dr Mahathir said:

"I think he (Encik Daim) can handle the job. I myself was appointed Education Minister with no previous (Ministerial) experience. Nobody questioned that."

"Encik Daim is well-known enough in his own field but it doesn't mean that we have to appoint somebody famous. Some-

body has to be Finance Minister," he said.

And as for criticism to the appointment because Encik Daim was regarded as his close friend, Dr Mahathir said: "Quite a lot of close friends of mine have been appointed. But if you don't know a person, obviously you can't make an assessment... I can't appoint a total stranger. It has to be somebody I know."

The new Justice Minister is Berjaya deputy president Datuk Dr James Ongkili, who also continues to be Minister in the PM's Department.

The Education Ministry has a completely new lineup: Datuk Abdullah Haji Ahmad Badawi takes over as Minister from Datuk Dr Sulaiman Daud, and the two new deputies are Haji Bung Haji Uli and Datin Paduka Rosemary Chong.

Datuk Sulaiman has been appointed Culture, Youth and Sports Minister. Deputy Education Minister Datuk Khalil Yaakob, who polled the most votes in the contest for Umno Supreme Council seats in May, has been made Minister in the Prime Minister's Department.

Datuk Adib Adam and Datuk Rais Yatim have

"swopped" Ministries — the former goes to Land and Regional Development and the latter to Information.

Apart from Encik Daim, two other new faces are MP for Tumpat Haji Dusuki Haji Ahmad (Parliamentary Secretary, Land and Regional Development) and Sabah MP for Kota Belud Mohamad Yahya Lampong (Deputy Minister, National and Rural Development).

Also appointed Deputy Minister (Energy, Telecommunications and Post) is Haji Rahim Bakar, the controversial former Pahang Menteri Besar.

Tengku Ahmad Rithaudeen (formerly Trade and Industry) takes over the Foreign Ministry, Encik Anwar Ibrahim (formerly Culture, Youth and Sports) Agriculture and Datuk Abu Hassan Omar (formerly Deputy Ministry, Transport) Welfare Services.

Datuk Haji Suhaimi Kamaruddin and Datuk Dr Nik Hussain Abdul Rahman have resigned as Deputy Energy, Telecommunications and Posts Minister and Deputy Works Minister respectively.

The Prime Minister also said that Cabinet members "were being moved around" so that they could gather experience in differ-

ent fields.

He dismissed allegations that Cabinet members like Tengku Razaleigh was being punished for having challenged Deputy Prime Minister Datuk Musa Hitam for the Umno deputy presidency.

"If it was punishment, then we wouldn't appoint all those who lost (in the Supreme Council elections). He (Tengku Razaleigh) has been in the Finance Ministry for eight years and it's good that he should get experience in another Ministry."

A number of Deputy Ministers have been moved around and the two Deputy Ministers' posts left vacant by the resignations of Datuk Dr Ling Liong Sik and Datuk Lee Kim Sai after they were expelled from the MCA are not being filled because the time was not "appropriate," said Dr Mahathir.

"I'm not supporting anything (when asked whether this indicated he supported one faction over another in the MCA crisis)," he said. "I think they should put their house in order first."

The only other MCA Cabinet member moved is Datuk Dr Tan Tiong Hong, who moved as deputy from Education to Finance.