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MALAYSIA WORRIED OVER CURRENT EUROPEAN FINANCIAL CRISIS

Mahathir-finance

From Abdul Rahman Sulaiman

DUBLIN, Sept 23 ⁹² (Bernama) -- Malaysia ^{is} beginning to be worried over the current financial crisis hitting Europe, Prime Minister Datuk Seri Dr Mahathir Mohamad said here Tuesday.

Malaysia was watching the development eagerly as it did not only concern the European Community but, indirectly, other countries as well, particularly those trading with the EC, he added.

Dr Mahathir was responding to a question by an Irish journalist at a press conference he held jointly with his Irish counterpart Albert Reynolds here.

He was candidly asked whether or not as a leader of a nation with an impressive growth rate and coming from an equally dynamic region of Southeast Asia, he felt +amused, bewildered or cared at all+ about the developments over the past week.

The Prime Minister replied: +I admit, initially, I do feel amused. But after sometime, we are beginning to worry. Unless the unstable monetary situation is settled soon, we will inevitably feel the pain too.+ -- more

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He said as the EC was Malaysia's third largest trading partner in the world, the crisis would certainly affect Malaysia if it continued.

He hoped that the situation could be stabilised as soon as possible.

Reynolds denied that the EC member countries had suspended the European Exchange Rate Mechanism (ERM), largely blamed by certain financial quarters as the culprit of the current problem.

He said: +We have never suspended ERM, discussed such a possibility or even contemplated such a discussion.+ -- Bernama