

Yen borrowing may be cut due to appreciation

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KUALA LUMPUR, Tues. — Malaysia will look into the possibility of borrowing in other currencies in view of the appreciation of the yen, Datuk Seri Dr Mahathir Mohamad said today.

The Prime Minister said the matter had to be studied first. "We have to review whether we need to continue borrowing in yen or in other currencies," he said.

Dr Mahathir said the appreciation of the yen had caused Malaysia's debts to rise.

"Now we have to spend more ringgit to repay our debts and this is a burden," he told reporters on arrival from his three-day unofficial visit to Tokyo after addressing the 48th session of the United Nations General Assembly in New York.

With the appreciation, Dr Mahathir said Malaysia would have to spend more when importing from Japan, especially automotive components for the Proton.

"It will increase our costs and may effect the local content value," he said.

At the same time, Dr Mahathir said, our earnings from oil would be reduced since we sell it in US dollars.

Dr Mahathir said the only advantage could probably be an increase in investments from Japan, especially companies seeking to reduce costs due to the appreciation of the yen.

Asked what was the response from Japanese Prime Minister Morihiro Hosokawa on Malaysia's concern over the appreciation of the yen, Dr Mahathir said Hosokawa had explained that it was beyond their control.

On his trip to the US, Dr Mahathir said on the whole it was good.

"In New York, I met many US businessmen, particularly those who have invested in Malaysia and are supportive of the country," he said.

Dr Mahathir said he also

gave a talk to the Council of Foreign Relations and had a meeting with media mogul Rupert Murdoch.

On the death of a Malaysian soldier in Somalia and injuries to nine others, Dr Mahathir extended his condolence to the family of the dead soldier Prebet Mat Aznan Awang.

"I am sad over the incident ... but we realise that when we send our troops to Somalia such incidents might happen," he said.

Dr Mahathir said he hoped the Malaysian soldiers serving under the UN banner would continue to carry out their duties safely.

Asked to comment on the developments in Russia, Dr Mahathir said he had anticipated that such a thing would happen.

"We have told the leaders of Britain and the US that the shift from command economy to market economy is not easy.

"By right, the West

should assist the Russian leaders in their transition by supplying them with information on how to manage a market economy. Unfortunately, they (the West) did not," Dr Mahathir said.

He said unless the West extend assistance to the Russians and others, including Yugoslavia, the situation would never improve.

Asked about his statement regarding unfair Western reports, Dr Mahathir repeated that they have never been fair.

"They have blacked out anything good about the South. On the other hand, if there is the slightest mistake in the South they highlight it," he added.

Dr Mahathir said after he had delivered his speech at the UN, representatives from the South showed tremendous interest in what he had to say.

"But not a single word was reported in the US Press," he said.