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KENG YAIK CALLS FOR BELT TIGHTENING

By: Muammar Kamaruddin

KUALA LUMPUR, Oct 6 (Bernama) -- Primary industries minister Datuk Seri Dr Lim Keng Yaik, who today added his support to prime minister Datuk Seri Dr Mahathir Mohamad, has labelled the three menaces to this country as all foreign: foreigners who manipulate the financial markets, the foreign haze, and the foreign workers.

Malaysia needs foreign investors because it is an open economy, but it did not need them if they begin to colonise its economy; it needs foreign workers but it could not allow them to create more social problems, he said.

Where the present difficulties were concerned, he said, Malaysians should remain united, "tighten their belts, and consolidate themselves" in the face of the ringgit's devaluation and the bearish share market.

"It is not even a recession. It is just a plateauing (of economic output) because of currency manipulation," he said to reporters after opening the International Rubber Conference and Exhibition here.

Malaysia's economic fundamentals, he said, lie with its political stability, its hardworking and skilful workforce, and its abundance of natural resources.

Malaysians should make themselves more competitive in the international market, rather than allow the foreign media to criticise Dr Mahathir, he added.

Dr Lim said Malaysians should not forget that Dr Mahathir's leadership for the past 16 years had led the country to develop tremendously and enjoyed plenty of benefits. When Malaysia underwent recession in 1986 and 1987, it was Dr Mahathir's leadership which brought the nation out of that period.

Dr Mahathir has been expressing his views not only for Malaysia but also on behalf of other developing countries. But, Dr Lim said, those people who are "robbers and rogues" did not like to hear it.

Dr Lim, who is also the president of Parti Gerakan Rakyat Malaysia, said: "They know that what the PM says is the truth and yet they used the international media to single out the PM...to isolate the PM from the Malaysian public.

"Let our people not fall on that trap because the PM is still our most visionary and dynamic leader. He should be given full support. Gerakan is giving its full support to him, knowing that he has the experience and the vision.

"(But) some people cannot see further than their own nose because they are affected...."

He said the prime minister has already ordered the Cabinet to prepare the people to face the challenges ahead.

Dr Lim said: "This is the time where we can make use of the silver lining in the clouds to consolidate, to make ourselves more competitive, and to overcome our weakness."

He said the commodity and natural resources-based sector has been doing very well and it accounts for 30 percent of Malaysia's foreign earnings.

However, he added: "We should not spend as if there is no tomorrow even though we have plenty of money....the hard-earned money from the natural resource sector."

Dr Lim said Malaysia should set itself new priorities, reduce the balance of payments deficits, match income levels to increases in

productivity, and to take a fresh look at its dependence on foreign workers.

He suggested that foreign workers be channelled to sectors which generated the highest rate of return for the country. "There is no way a char-koay-teow man, a satay man, or a roti canai man can be entitled to foreign workers."

On job-hopping, he said the time has come for the management to think twice before offering salaries that are out of proportion to the productivity of the workforce.

But, he said, income demands at "the managerial and executive professional class have gone haywire. They must be realistic just as the unions are also realistic."

On the financial markets, Dr Lim said they needed some kind of regulation and that even George Soros himself had asked for such a mechanism to regulate a laissez-faire marketplace, where he made his money.

-- BERNAMA

MK LSH