

31 DEC 1997

Mahathir-message

MAHATHIR CALLS FOR SACRIFICE TO REVITALISE ECONOMY

KUALA LUMPUR, Dec 31 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad tonight urged all Malaysians to make sacrifices to help steer the country, now facing difficult times, towards economic recovery.

He said the people would have to endure all sorts of pressures and make sacrifices as the country had no other choice to avoid from having to borrow from foreign powers.

One sacrifice was for them to save and invest confidently despite knowing that their savings would depreciate if the value of the ringgit continued to fall.

"If we have no confidence in our own currency and because of that we don't save or invest and instead convert our money to foreign currencies or deposit them overseas, this will still cause our currency to depreciate all the same.

"On the other hand, if we diligently save and buy as well keep shares, our currency will not fall abruptly," Dr Mahathir said in his New Year message broadcast over radio and television.

Dr Mahathir said preserving the value of the ringgit was a crucial and common responsibility of all Malaysians because others would not bother to.

He said the decline in the ringgit's purchasing power for domestic goods and services would not be the same as its depreciation by more than 30 per cent against the US dollar since last July.

The prime minister reiterated that Malaysia would not borrow from international institutions as that was not the approach to resolve the current problems.

Foreign powers would impose various conditions which would render the people worse off, force the government to increase taxes to an already impoverished lot, increase interest rates and close down most of the banks and finance companies, he said.

The foreign powers would insist that foreign conglomerates be allowed to come in, take over local banks and companies and implement policies only designed to optimise their profits.

"We'll no longer be free. The people will be left jobless and to suffer. This is the choice that we have if we are not prepared to sacrifice a little," he said.

Dr Mahathir said that by painting such a scenario he was not out to alarm the people but that was what had already happened to countries which had agreed to the conditions for foreign loans.

In taking on the present economic challenges, he said, the people should not easily give up and admit defeat.

Instead, Malaysians should show willingness to face hardships and make sacrifices to defend the country's independence and integrity, he said.

"Our struggles not only have yet to end but they are only getting more crucial," he said.

While thanking all Malaysians for their expressed confidence in the government and in himself, Dr Mahathir said their pledge of support should be translated into action to help the country recover economically.

"Thank Allah that the pressures on us (by currency and stock market manipulators) have unified Malaysians of all races to back the government in preserving Malaysia's independence and sovereignty," he said.

Dr Mahathir said to reduce spending, the government would drop or defer several projects besides cutting the salaries of senior officers, members

of the Cabinet and politicians in the ruling coalition and freezing salary increments for government staff in categories A and B.

"It is hoped that the private sector would follow suit especially those getting high pay and generous perks," he said.

He said the National Economic Action Council, which he chairs, would be tasked with planning and implementing measures necessary to make Malaysia more competitive globally and overcome the prevailing financial and economic setbacks.

A specific campaign would be launched to minimise extravagance and wastage of funds within the government and among the people as well as reduce production costs and increase productivity.

It would also target at reducing import and increase export, upgrading skills, efficiency and quality of goods and services.

There would be more determined efforts to attract foreign tourists and investment for the manufacture of export-oriented products and services while encouraging Malaysians to holiday in the country, he said.

Dr Mahathir specially mentioned the role that housewives and women could play in observing thrift and minimising extravagance.

He said they could effectively influence the community in efforts towards economic recovery.

"They can lead by example and guide the community in implementing the economic recovery plans that we've drawn up," he said.

The prime minister said to specifically preserve the value of the ringgit, there was no need to convert it to foreign currency except for importing purposes.

There should also be less consumption of items like flour, sugar and onions as well increased use of locally-made goods as import-substitutes, he added. -- BERNAMA

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