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Anwar-future

REVISE PRIORITIES FOR REGION'S FUTURE, SAYS ANWAR

KUALA LUMPUR, Dec 1 (Bernama) -- Deputy Prime Minister Datuk Seri Anwar Ibrahim today said Southeast Asia's future sustainable growth, which is a key element in restoring confidence in the region's economy, requires re-setting the priorities of the regional countries.

"The stability of growth cannot be guaranteed without corresponding growth in the efficiency and transparency of the financial system," said Anwar, who is also Finance Minister.

He said this in welcoming remarks at the simultaneous opening of the Asean finance ministers and Asean Plus Six meetings and a conference on Financial Initiatives For The 21st Century at the Putra World Trade Centre here by Prime Minister Datuk Seri Dr Mahathir Mohamad.

The Asean Plus Six meeting refers to talks between Asean finance ministers and their counterparts from Australia, China, Hong Kong, Japan, South Korea and the United States.

Anwar said while Asean was rigourously addressing the issues of sustainable growth, Malaysia itself had established a range of initiatives including consolidating the banking sector, squeezing credit growth and instilling greater discipline in the financial markets.

"Furthermore, we have deferred large infrastructure projects and rescheduled those already committed, not to mention a cutback in government expenditure that began more than five years ago," he said.

Anwar said that Asean member countries, committed to greater liberalisation of the financial markets, were implementing measures to enhance transparency and stabilising higher disclosure standards in the banking and financial sector.

He said the nine-member grouping comprising Brunei, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam would also look into the broader objective of enhancing prudential standards and disclosure requirements.

In this regard, Asean recognised the need to relate efforts to those of the International Monetary Funds (IMF) and other multilateral agencies, he said.

On currency traders and their excessive speculative activities, Anwar said an international resolve must be taken to address the matter.

"We could then tame these forces, which have the potential to destabilise and undermine the systemic health of the global financial system. With such resolve, these very forces could very well be transmuted into a benign energy to power global economic growth and prosperity," he said.

He said the resolve should begin with Asean with intensified collaborative efforts to restore order and confidence in the capital and financial markets.

Anwar said the Asean finance ministers and the Asean Plus Six meetings over three days would galvanise regional cooperation to bring back confidence in the regional economy.

"The first step in this direction is to strengthen regional cooperation for it is only by acting in concert that we will have the capacity to respond to destabilising factors and systemic risks be they external or internal and to contain the bandwagon effect of a change in investor sentiment," he added.

The financial initiatives conference was organised by the Asean

Business Forum. -- BERNAMA  
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