

23/12/1997

Role Malaysians can play towards economic revival

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I DO not hesitate to fully support the Prime Minister's call to all Malaysians to save the country's currency and stock markets by not indulging in short-term profit-taking but to instead take a long-term approach to investments.

Every Malaysian has to play his or her role as a responsible citizen.

The country's economy is almost similar to our heart - once it is unhealthy every part of the economic system will encounter obstruction.

Inflation, bad debts, unemployment, and bankruptcies will be knocking at our doors.

We have a strong and decisive PM to guide us through this turbulence but he will only succeed if we can fully support him.

While waiting for measures to be taken regionally and internationally to revive the economies of Asian countries, Malaysians can contribute by reviving our own economy. I suggest:

- * Buy local goods by all means;
- * Take immediate steps to remit back to local banks all money deposited in foreign banks;
- * Dispose foreign properties and remit money back home. Stop all foreign property purchases which are not finalised;
- * Cancel all plans to spend your holidays overseas;
- * Dispose all foreign shares and buy local ones;
- * Listed companies should withhold all cash reserved for dividends and pursue aggressively the share buy-back scheme before prices start rising.

Many counters are available at discounts. In order for this to impact the market, companies must provide "employee loans" to acquire such shares more aggressively.

Employees can pledge such shares to the companies concerned as collateral and will abide by conditions agreed by both parties. This is quite similar to the employee share option scheme except such shares are acquired in the open market;

* Property companies should keep profits low while development projects should focus on low and medium-housing schemes where units are still in demand;

* Financial institutions should merge with local or foreign partners so as to strengthen their capital and improve competitiveness.

Bear in mind, we shall acquire new technologies and expertise from such mergers; and

* The Government should revive the RM60 billion fund to support the market through bond issues. Since this fund is controlled by the Government, it has more effect in stabilising the market.

I hope these suggestions can help a faster economic recovery.

Malaysia should be able to recover faster than our neighbours because of its political stability and stronger economic fundamentals.

In fact foreign fund managers have more confidence in our political will to overcome the present economic and currency problems than our neighbours'.