

02 SEP 1998

LEAD Anwar-Sacked

ANWAR SACKED AS DEPUTY PRIME MINISTER AND FINANCE MINISTER

KUALA LUMPUR, Sept 2 (Bernama) -- Datuk Seri Anwar Ibrahim was today sacked as Deputy Prime Minister and Finance Minister, a day after the government announced new controls to protect the falling ringgit and to boost efforts to revitalise the country's economy.

His dismissal was announced in a three-paragraph statement by the Prime Minister's Department issued late this evening.

The statement said Anwar was removed effective from 5.30 pm and also from all other positions held by him in his capacity as deputy prime minister and minister of finance.

The Yang di-Pertuan Agong has been informed of Anwar's removal from the Cabinet, said the statement which did not give any reason for the dismissal.

Anwar's fate as Umno deputy president is expected to be known when the party's supreme council meets tomorrow night.

There was no immediate comment from Prime Minister Datuk Seri Dr Mahathir Mohamad or Anwar.

It is believed that the letter of his sacking was delivered to Anwar at his house by a top government official at about 7 pm.

Anwar, 51, was appointed Deputy Prime Minister on Dec 1 1993, succeeding Tun Ghafar Baba.

Teams of police personnel were seen entering the Deputy Prime Minister's Office in Jalan Dato Onn and the Treasury in the Jalan Duta government complex in the evening.

At about 7 pm, two police patrol cars and a police van were seen leaving the compound of the Treasury.

Dr Mahathir and Anwar had been at odds over monetary policies as the ringgit depreciated by 40 per cent against the US dollar since July last year following the onset of the economic crisis that was sparked off by speculative currency attacks.

While the Prime Minister favoured stimulating business with lower interest rates, Anwar along with Bank Negara had adhered to International Monetary Fund (IMF) style policies particularly in maintaining tight monetary policies including high interest rates.

As a result, Malaysia's economy slipped into recession registering a Gross Domestic Product of -2.8 and -6.8 per cent in the first two quarters of the year respectively.

More than 100 local and foreign reporters and photographers had gathered at the gate leading to Anwar's house since early afternoon when word spread that he may be resigning.

Police had to seal off the road leading to his house in Bukit Damansara and Federal Reserve Unit (FRU) personnel were placed on standby.

Anwar was also embroiled in a controversy recently following the publication of a book titled "50 Dalil Mengapa Anwar Tidak Boleh Jadi PM" (50 Reasons Why Anwar Cannot Become PM).

Anwar alleged that the book defamed him and has obtained an injunction against the distribution of the book that was circulated to Umno delegates on the eve of the party general assembly in June this year.

Magnum director of public affairs Datuk S.Nallakaruppan was also detained in the course of investigations over the book and he is now awaiting trial for illegal possession of 125 live ammunition that were recovered from his Bukit Tunku house here.

Anwar is the Member of Parliament for Permatang Pauh, a seat in Pulau Pinang once held by his father, Datuk Ibrahim Abdul Rahman.

A graduate of the University of Malaya, Anwar received his secondary education at the Malay College Kuala Kangsar, an elite school reputed for producing many of the country's leaders in government and business.

He is married to Datin Seri Dr Wan Azizah Wan Ismail and they have six children.

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