

07/11/1998

Dr M: We must not be complacent

Ramlan Said

KUALA LUMPUR, Fri. - The Prime Minister today launched the World Consumers Day 1998 with a reminder to Malaysians not to be complacent although the economy is showing signs of recovery as the country can face more serious problems if they are not careful.

Datuk Seri Dr Mahathir Mohamad said the Government had introduced various measures to revive the economy which had begun to bear results but consumers could hasten the process by playing their role accordingly.

"As a member of society, whatever happens to it, we will be affected. We will progress if society also progresses. If society retrogresses, our standard of living will also deteriorate," he said in his speech at Pusat Islam today.

The theme of this year's celebration is "Spend Wisely for the Country".

He said the effort of Malaysians as consumers was to ensure the country's stability, "not to aggravate the situation but to participate in all activities towards economic recovery."

He said whatever measures determined by the Government could be implemented as the people were disciplined.

This, he added, was contrary to the situation in some countries where when confronted with problems, the people rioted, went on strikes and made demands that could not be fulfilled.

When the Government extolled the people to spend wisely, Dr Mahathir said it did not mean that they should reduce spending.

"We need to spend on local products and services and reduce the use of imported goods. If we want to save, deposit the money in banks like Tabung Haji or Bank Islam and not in a safe at home as this would not benefit the economy.

"Money kept at home will lose its value because inflation will reduce its purchasing power. Instead if deposited in banks, they will be used for businesses and the profits gained from it will earn more money for the Government."

Dr Mahathir said consumer associations could play their role by disseminating information to consumers on what should be done to overcome the economic downturn.

He said as the cost of imports was still high, consumers must reduce the consumption of imported goods and use more locally-made products.

Reiterating his confidence that the quality of local products was equal to those imported, he said: "If we buy more local products, the production will increase and prices will go down. For example, some vegetables have become cheaper as producers grow more of them owing to increased demand.

"When demand increases, through the economies of scale, not only the production cost will go down but prices as well. Besides, the products can then be exported," he said.

Dr Mahathir said Malaysian products and services would become too expensive if the ringgit appreciated too high as other currencies in the region were still being manipulated by currency traders.

If this happened, he said Malaysia would not be able to compete with her neighbours.

"As such, although the actual value of the ringgit is RM2.50 per one US dollar, we fixed the rate at RM3.80. This makes our products competitive but at the same time, the cost of imported goods remained high."

In obvious reference to criticisms against the Currency Exchange Rate

Controls implemented by the Government, the Prime Minister said Malaysians did not need praises or acceptance from foreigners who considered themselves as judge and who could determine everything.

"If we are praised by them, believe me, it is because we have become their tool ... we have betrayed ourselves, the country and often the religion as well," said Dr Mahathir, who later presented various consumer awards to the winners.

(END)