

27 JUN 1998

Gerakan - Keng Yaik

GERAKAN PLEDGES SUPPORT TO DISMANTLE CURRENCY HEGEMONY

KUALA LUMPUR, June 27 (Bernama) -- The Gerakan today pledged continued support for the government's crusade against hegemonic designs of international financial monopolists which have contributed to the regional currency and economic crisis.

Party president Datuk Seri Dr Lim Keng Yaik, in making the pledge, said such hegemony has to be dismantled if there were to be stability and justice in the international economic and financial system.

"We stand solidly behind the Prime Minister and support him in removing international financial and economic hegemony by monopolistic financial powers," Lim said addressing the party's 27th annual delegates' conference at Menara PGRM here today.

Prime Minister and Barisan Nasional chairman Datuk Seri Dr Mahathir Mohamad opened the meeting.

In this context, Malaysia would have to enter into pacts with her neighbours to identify new media of exchanges to finance international trade, said Lim, who is also Primary Industries Minister.

"We must seek ways to curb hot money speculation besides creating an atmosphere conducive to inflow of productive long-term capital," he said.

More than 2,000 delegates are attending the two-day meeting. Leaders of the 13 BN component parties also attended the opening.

While acknowledging internal flaws relating to the current economic slowdown, Lim said regaining investor confidence to revitalise the economy would not succeed fully without international-level efforts to check speculative and excessive currency trading.

"I believe the world community can appreciate the potentially dangerous situation we're experiencing now and would need to immediately erect a clear structure relating to inter-governmental cooperation in controlling finance," he said.

On the increasingly tight credit situation, Lim proposed that the borrowers' assets need not have to be collaterals for loans but rather their projected earning capacity, and as for firms, their potential export earnings.

"Disallowing credit or charging exorbitant interest rates may only discourage productive investment. In fact unconsciously this may worsen the current economic situation, leading to depression," he said.

On education, Lim said the party urged that loans for higher studies be extended to all as it would be cruel, let alone unjust, to deny academically qualified but economically poor Malaysians from access to tertiary education.

He proposed that the government encouraged banks, corporations, foundations and political parties to set up schemes for bursaries to complement the government's recently established fund for higher education.

The Gerakan president called on the Finance Ministry to seriously consider granting tax exemption for contributions to the proposed study loan schemes.

Lim said the party's branch and division-level elections had gone on smoothly with almost 95 per cent of them without contest.

He said the Gerakan had achieved much progress in promoting nationalism in Malaysia and in eradicating racist inclinations.

"But I must stress here that the road ahead is difficult and the journey to the final political destination is still far and daunting," Lim

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