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Mahathir-Economy

MALAYSIA TO TAKE SOME TIME TO RECOVER FROM ECONOMIC DOWNTURN, SAYS PM

KUALA LUMPUR, June 6 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today that the country will take some time to recover from the current economic downturn and the resilience and sacrifices of the people are needed to face the situation.

He said that the people, who uphold the nation's independence, were capable of such resilience and sacrifices.

"While we do not reject the role of outsiders in helping us to deal with the situation, we cannot totally depend on them," he said in his loyalty speech at the investiture in conjunction with the birthday of the Yang di-Pertuan Agong at Istana Negara here.

Dr Mahathir said that the government was confident that Malaysia would be able to overcome the economic problems it was facing based on the nation's political and social stability.

"The government, with wisdom, will deal with whatever efforts made to create instability. All parties, from the retrenched workers, traders and small or big entrepreneurs will be provided assistance so that they will not face too much pressure as a result of factors beyond their control," he said.

Dr Mahathir said that the government would take heed of all the problems faced by the people.

The Prime Minister expressed gratitude that the country had remained peaceful with the people living in harmony in the wake of the economic crisis.

He said that some of the people in the country felt that it would be better to leave it to international experts to deal with the nation's economic problems, but it would not guarantee an economic recovery.

A few countries which accepted what was said to be international assistance had experienced economic turmoil which became worse resulting in political instability, massive unemployment, consumers' very low purchasing power, bankruptcy of companies and banks and escalating inflation, he said.

Dr Mahathir said that all this could happen if more pressure was imposed on the ringgit and the local stock exchange but at least the country was still free to determine its economic policies, to help to revive companies and to save the nation.

"Recovery will not come easy but we are confident that by reducing the country's dependence on foreign exchange, we will somewhat escape the threats of attacks on our currency and the nation's economy," he said.

The prime minister said that various efforts and strategies had been taken by the government to reduce the impact of the devalued ringgit, among them cutting down on imports and less consumption of essential items like sugar, flour and milk, encouraging prudent spending, promoting exports and ensuring that in its trade with other countries, the ringgit or the currency of the other trading country was used.

He said that the government had also taken several other measures to revive the nation's economy.

"The fact that up to now we have not sought assistance from international bodies may be due to such actions taken," he said.

Dr Mahathir said that the people's faith and confidence in the government was most vital because not all the government's approaches could be publicly announced.

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