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Mahathir-Investment

MALAYSIA SCRAPS PLANS TO INVEST IN LEBANON, SAYS PM

KUALA LUMPUR, Feb 9 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said tonight he regretted "very much" that Malaysia had to scrap plans to invest in Lebanon to help in its reconstruction because of the country's own economic problems.

He said when he visited Lebanon in June last year, businessmen accompanying him were very keen then to participate in their own small way in Lebanon's reconstruction following 15 years of civil war.

Speaking at a dinner he hosted for visiting Lebanese Prime Minister Rafic Hariri at his official residence Sri Perdana here, Dr Mahathir said: "Our business people thought that they could take up some of the projects you offered which would contribute to the rebuilding of Beirut and other parts of your country".

"But today we regret very much that we have to withdraw. The carpet has been pulled from under our feet. We no longer have the wherewithal to invest abroad," Dr Mahathir told Hariri in referring to the regional currency crisis which had led to sharp falls in Malaysia's economic fortunes over the past six months.

"In fact even in our own country our capacity to invest and develop has been diminished. Suddenly after years of prosperity created by our own system and efforts we have been made poor, along with the other countries of Southeast Asia," he said.

In his dinner speech, the prime minister rejected what he termed as the "self-righteousness and hypocrisy" of those who preached human rights who had branded Southeast Asian governments as corrupt, indulging in cronyism and nepotism and that they were not transparent.

He also told Hariri, who is on his second visit to Malaysia: "You may have noticed during your last visit that the alleged oppressive, despotic and corrupt governments that we have in this region had built prosperous countries and prosperous people.

In Malaysia's case, he added, there was no unemployment and so many jobs were created that workers from other countries flocked to Malaysia to share in its prosperity.

"If we had cronies and practised nepotism then we must consider all the people of Malaysia as cronies and family members for all of them gained from the administration and policies of the Malaysian government and indeed from the governments of the tiger economies of Southeast Asia," he said.

He said the flight of capital from this region at the height of the economic crisis which began in July last year had taken away the wealth that had been built up, leaving the region practically destitute.

"Indeed some countries have been bankrupted by them, resulting in millions upon millions of workers becoming unemployed, causing social and political unrest where once there was prosperity and stability. All these we are told are the work of market forces in order to discipline the government," he said.

"Today all the prosperity of Southeast Asia is gone, the workers are unemployed by the millions and thousands of good companies have been bankrupted, the stock markets have collapsed, banks and finance companies forced to close and generally poverty and destitution have once again descended on our people.

Referring to bail-out programmes of the International Monetary Fund (IMF) implemented in countries like Thailand and Indonesia, he said: "These

once prosperous countries were forced to beg for loans to repay their debts which have been bloated due to the depreciation of their currency," he said.

Dr Mahathir said now there were suggestions that help should be withheld until these governments uphold human rights.

"But what about the rights of the millions of workers who have lost their jobs and become destitutes. Devaluation of their money has deprived them their livelihood," he said.

He said no government in the world was perfect and every sin committed by Southeast Asian governments had been committed in every country which talked of good government and governance.

On Malaysian-Lebanese ties, Dr Mahathir said both countries were in the process of reconstruction.

"You from the ravages of war and we from the ravages caused by an unprecedented assault on our economy.

"There is much that we have in common and therefore there is much that we can do together. Even weak countries working together can bolster each other's strength.

Adding that both countries were not exactly the weakest economies in the world, the prime minister said he was confident that through friendship and cooperation, the two countries would be able to recover and develop.

Hariri, in his speech, said he was confident that Malaysia would overcome the present economic downturn under the leadership of Dr Mahathir.

"I believe under your leadership this country will overcome this problem and what you see now is just a moment of difficulty...you have seen much more before.

"You still have your independence, your currency, your factories and over and above, your belief in God and your belief in your nation and your belief in the future," he said.

Hariri believed that the present difficulties faced by Malaysia and other Asian countries could be due to "jealousy".

"But the worst thing that can happen to any nation...that we lose our confidence in ourselves. We should keep our confidence in God and our nation and our people," he said. -- BERNAMA

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