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Abdullah-Economy

NO REACTION YET FROM MALAYSIA'S NEIGHBOURS ON NEW MEASURES

By: E.Sivabalan

DURBAN, Sept 3 (Bernama) -- Malaysia has explained to some of its neighbours that the series of measures taken to insulate its economy from risks and vulnerabilities caused by external developments are aimed at reviving the country's economy.

Foreign Minister Datuk Seri Abdullah Ahmad Badawi said he told this to his counterparts from Indonesia, Singapore and Thailand during informal discussions on the sidelines of the 12th Non-Aligned Movement (NAM) Summit which was opened by South African President Nelson Mandela here yesterday.

"At this point, there are no reactions from them," he told Malaysian journalists here.

Abdullah said they have heard of the new measures but it was not discussed by them in detail.

"They may be rather shocking but are intended to revive the economy," he said.

He said that it was important that sufficient time be given for such measures to produce results.

"Therefore, it is best that we give it some time before expecting to see the effects of the measures," said Abdullah who is representing Prime Minister Datuk Seri Dr Mahathir Mohamad at the two-day Summit.

Last Friday, Bank Negara announced in Kuala Lumpur the introduction of foreign exchange controls to curb speculation in the ringgit in a move to insulate the economy from risks and vulnerabilities caused by external developments.

Bank Negara's acting governor Datuk Dr Zeti Akhtar Aziz had said that among others the ringgit would no longer be legal tender overseas from Oct 1.

Abdullah said he also held bilateral talks and informal talks with his counterparts from several countries including Bangladesh, Egypt and Myanmar.

He also met with several leaders including Mandela and told them why Dr Mahathir was unable to attend the Durban Summit.

Asked if he and his Singaporean counterpart, Prof. S.Jayakumar, discussed the problems between both countries, Abdullah said they did not.

"The issues discussed (with Jayakumar) are on the situation in Cambodia, Myanmar and the World Trade Organisation," he said.

Abdullah said his discussions with Indonesian Foreign Minister Ali Alatas was on Thailand's bid to secure the WTO director-general post and on the situation in Cambodia.

He said he told Alatas that Malaysia would support Thailand's bid.

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