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Mahathir - economy

PEOPLE'S SUPPORT PIVOTAL IN RECOVERY, SAYS MAHATHIR

LABUAN, Aug 14 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today said that the government will, on its own, bring about recovery to the country's economy without pleading to any group for assistance except appealing to the people to remain united in facing the challenges.

In this context, he asked Malaysians to preserve the prevailing calm and peace and consolidate unity among them to as to facilitate the government's handling of the current economic woes.

"Don't resort to riots, don't spread malicious rumours... Let's avoid doing all these. Instead let's preserve the calm in our country," he said addressing a meet-the-masses gathering at the municipal multi-purpose hall here.

The prime minister, who is on a two-day working visit to the federal territory since yesterday, said Malaysia's multi-racial communities should not at all give in to attempts by certain parties to inflame racial tension among them.

"This is what we have to do to defend the nation. If we say our country is our responsibility, so it is our responsibility to ensure that there is no racial misunderstanding in Malaysia," he said.

Dr Mahathir said any arising problem should be negotiated out so that potentially explosive quarrels could be defused.

"So far, thank Allah, that despite attempts through the Internet to pit one Malaysian community against another have been curtailed and that the situation remains peaceful. This allows the government to have peace of mind to concentrate on the economic problems we're facing," he said.

In his speech, Dr Mahathir spoke at length of government measures to steer the country out of the economic problems, including the establishment of the National Economic Action Council (NEAC).

"We've achieved some success. Had we not been successful in implementing plans proposed by the NEAC, obviously we would be encountering more problems and by now we would have bowed to the IMF," Dr Mahathir said.

The nation's ability to persevere through without assistance or being subjected to International Monetary Fund (IMF) conditions, proved that the government was on the right track with its economic recovery plans.

Dr Mahathir exposed the role of currency traders in depressing the value of the ringgit although external elements controlling the resources and the foreign media were more inclined to fault the national leadership for the current turmoil.

"Although there are at fault, their control over the media enables them to camouflage their mistakes by repeatedly claiming it is the government that is to blame," he said.

He said external elements were also trying to erode the people's confidence in the government so that it could be toppled.

"They deny any conspiracy to raid and impoverish nations. Despite maintaining there is no conspiracy, the effect is the same," he said.

Citing an example, Dr Mahathir said when Malaysia tried to secure external financing to revitalise the economy, two rating agencies immediately downgraded Malaysia's ratings.

"The moment they downgrade a country's rating, high interest rates will be imposed on borrowings by that country.

" So if we were to borrow now, we'll have to pay more for the loans,"

he said.

The prime minister said if the people understood what was happening and continued supporting the government, the economic problems could be overcome gradually.

-- BERNAMA

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