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## PM sees better financial controls following problems

KUALA LUMPUR, Wed. - Datuk Seri Dr Mahathir Mohamad said the most important opportunity presented by the Southeast Asian financial and stock market problems was in the improvement of financial management.

The Prime Minister cited wastage in the public and private sectors, too many people being employed in doing too few things and a lax attitude towards the spending of money as weaknesses that could be corrected.

Dr Mahathir said: "The problem has prompted all of us to look at costs. Every item of expenditure is now scrutinised closely and where there is no absolute necessity, severe cut-backs will be made, resulting in the strengthening of the financial base of the countries."

Delivering a keynote address titled "Out of Crisis: The Opportunities" at the Emirates International Forum in Dubai in the United Arab Emirates today, Dr Mahathir expressed confidence that the region would overcome its problems by exploiting new opportunities.

The text of the speech was released here.

The annual three-day forum, which began yesterday, gathers prominent world government and corporate leaders for exchange of views on issues like economic globalisation, world trade, information age, banking and finance, trade and industry, and tourism.

Dr Mahathir said such opportunities could be created partly by insulating the domestic economy, reducing the need for foreign exchange and strengthening internal resilience.

"In the process, new directions will be taken and new practices devised.

"Southeast Asia will probably not return to the old pattern of economic growth based largely on foreign investments."

They would continue to want such investments but he said that would depend more on their domestic capacities and intrinsic strength.

One example is the practice of the governments and people of East Asia in sending their young to study abroad.

Dr Mahathir said because there had always been high regard for education, the people had never looked at the cost as they felt good education was worth the money spent.

"Today they cannot. But because they still regard education as of prime importance they have to find alternatives which cost less."

This, he feels, would lead to a higher demand for local institutions, with students being brought back home to new universities and educational institutions while new students were educated at home.

"It is believed that the financially strapped countries of Southeast Asia will not only save money by bringing back their students but they will also become new centres of excellence which can cater for foreign students."

Dr Mahathir said with the expansion of educational institutions in the region, there would be ample room for a lot of European students to study in Asia, and this was in line with one of the decisions of the Asia-Europe meeting in Bangkok last year to have European students studying in Asian universities.

"For centuries Asian students have been going to European countries for their higher education. In the process they not only acquired knowledge but also an appreciation of European culture.

"It enabled them to handle relations with Europe and Europeans when later on they did business or they carried out their government's business

involving Europe and Europeans."

On the other hand, Dr Mahathir said Europeans, never having lived in Asian countries as students, found themselves quite unable to handle relations with Asian countries and people.

"By studying in Asian universities, the future business and government leaders of Europe would be better able to understand and handle their relationships with Asia and Asians."

Based on this background, Dr Mahathir feels the educational field therefore looked promising.

"It is an area that can contribute much towards the post-crisis of East Asian countries... the potential is really enormous.

"If only we think of the billions of dollars now being spent in Europe and elsewhere coming back to Southeast Asia, then the region's future economic prosperity seems assured."

If the majority of European students never left their countries to get an education, Dr Mahathir said, why should Southeast Asian students leave their countries for the same.

The Prime Minister also spoke on foreign investments in manufacturing becoming more attractive because of the currency devaluation, businesses made extra-profitable like in the plantation sector and opportunities to increase exports.

Earlier, Dr Mahathir and his wife Datin Seri Dr Siti Hasmah Mohamad Ali, were seen off at the Sultan Abdul Aziz Shah Airport in Subang by Deputy Home Minister Datuk Tajol Rosli Ghazali and Deputy Transport Minister Datuk Wira Mohamad Ali Rustam, among others.

Dr Mahathir will be in Germany from tomorrow for a three-day working visit.

He is scheduled to address a Malaysian-German business forum in Hanover on "Southeast Asia After the Economic Crisis - Challenges and Opportunities" which will be followed by a dialogue.

Malaysian Securities Commission chairman Datuk Dr Munir Abdul Majid and executive chairman of Mesdaq Bhd Khairil Anuar Abdullah are also scheduled to speak at a separate session of the forum on financial and capital markets.

Among the Malaysian business leaders scheduled to attend the forum are Malaysia Airlines chairman Tan Sri Tajudin Ramli, Konsortium Perkapalan Bhd group executive chairman Mirzan Mahathir and Sapura Group president Shahril Shamsuddin.

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