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Policies 'may lead to faster recovery'

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MALAYSIA may be among the first countries to recover from the economic turmoil affecting Southeast Asia, Prime Minister Datuk Seri Dr Mahathir Mohamad said yesterday.

"Not many countries have the kind of policies that we have adopted, because they (are bound by certain restrictions as they) have borrowed money outside the country.

"Because of this, I'm confident that we may be the first, if not among the first to recover," he said when replying to questions during a dialogue session at the end of the two-day "National Congress on Economic Recovery: The Way Forward" in Kuala Lumpur yesterday.

The event was organised jointly by the Asian Strategy & Leadership Institute and Institute of Strategic & International Studies Malaysia, with support from the National Economic Action Council.

"We are earning more from foreign exchange than we have been spending on imports. By fixing the ringgit against the US dollar, uncertainties have been eliminated."

The Government, he added, was constantly monitoring the situation to ensure other currencies in the region were not very much lower than that of the ringgit.

"There may come a time when we may need to make some adjustments... but nothing will happen for a long time."

He also said: "Raising funds is not easy... we have some problems of bad image, which makes it difficult to borrow money."

With two special entities set up to help revitalise the banking system, Dr Mahathir said if there was a need to recapitalise the stockbroking companies, the Government would find the necessary funds.

Earlier, he said the Government would look into all the suggestions made during the conference and see how best they could be used to make the recovery plan effective.

"This is a 'hands-on' Government, we want to go to the ground and see how things are done," giving his assurance that all suggestions from the private sector would be considered carefully.

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