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Rectify banking system's weaknesses, Govt urged

hrihan Johari

UMNO Youth yesterday called on the Government to identify and rectify weaknesses in the country's banking and financial system especially with the view towards resolving problems relating to liquidity.

Encik Azimi Din, representing delegates from Kedah, said while banks complained that they are facing liquidity problems, they are also the institutions which registered huge profits in the past.

"We are baffled (by the situation)... they (banks) should be able to help businessmen, especially the small and medium-sized industries.

"It was perhaps on this note that the Prime Minister (Datuk Seri Dr Mahathir Mohamad) came out with the statement that banks should close down if they do not believe in the country's economy," he said, when debating on the keynote address by Umno youth chief Datuk Ahmad Zahid Hamidi at the movement's assembly in Kuala Lumpur yesterday.

He said while the Kedah Umno Youth supports Dr Mahathir's remarks on the stiff lending conditions imposed by banks, it is also calling on the Government to identify and rectify weaknesses in the economic system.

He urged members to be brave, diligent, disciplined, trustworthy and loyal in weathering the present economic problems.

"We are not only facing a depreciation in the value of the currency but also culturally, morally and spiritually...," he added.

Representing Umno Youth Perlis, Encik Ismail Kassim said Umno members should unite and strive to face challenges, particularly during the current hard times which have arisen due to the ringgit's depreciation and eroding share prices.

"We should not put the blame on anyone for the problems related to the country's economy but instead view it as a challenge," he said, adding that party members should recall the struggles of past members.

Encik Zahari Kechik, representing Kelantan Umno Youth, said now is just as good a time as any to admit existing inadequacies in the country, be it in the public or private sectors.

"This is not the time to point fingers and find out those who practise such things but rather the time to cleanse ourselves from destructive activities that can further deteriorate the economy," Zahari said.

Johor delegate Encik Ayub Jamil, commending the establishment of Pengurusan Danaharta Nasional, said its setting up to assist the country's financial system is timely.

He also suggested that the Government look into mitigating the effects of the turmoil on the poor.

"More low-cost housing schemes should be added. Furthermore, with the increasing costs in higher education, scholarships for Bumiputera students must be continued," Ayub said.

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