

10/01/1998

Sell properties abroad to boost forex reserves: PM

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MALAYSIANS with properties abroad, especially in countries where currencies have strengthened considerably against the ringgit, should consider selling them to help boost the nation's foreign exchange reserves.

Responding to a suggestion over TV3's live morning talk show "Malaysia Hari Ini" yesterday, Prime Minister Datuk Seri Dr Mahathir Mohamad said if they decide to sell, the transaction should be done in foreign currencies.

The proceeds from a sale in the UK, for example, should be in pound sterling, he said.

"Bring back the foreign currencies and deposit them here. If they need to spend the money, they can convert them to ringgit here. If they don't need to spend the money, they could save it and earn interest here," he said.

Dr Mahathir said by bringing back the foreign currencies, locals who need these foreign currencies do not have to take the ringgit abroad to buy these currencies in foreign markets. Every time this happens, he said, the value of the ringgit falls.

The Prime Minister was asked what Malaysians with substantial property holdings overseas could do to assist the Government in its effort to restore the economy.

On the increasing cost of studying abroad, Dr Mahathir said if possible, the Government wants students to pursue their studies at home in view of the currency factor.

"However, this should not be at the expense of sacrificing their education. If they are about to complete their studies, they should be allowed to continue even though the cost is higher now," he added.

Dr Mahathir said what parents with more than one child studying abroad could do is call back those who are just starting their studies overseas, and support the ones who are about to finish.

He expressed confidence that there are ample places in local institutions of higher learning.

"It is a bit strange to note that parents are willing to spend between RM40,000 and RM50,000 on their children's studies abroad when in fact they can do it for RM10,000, RM20,000 and RM30,000 in Malaysia," he added.

To a question from viewers, Dr Mahathir said the present economic and currency challenges faced by the country will inject into the nation a new level of inner strength.

"If a person is never challenged, he will become weak...When there are challenges, there will emerge some form of strength that we never dream of," he added.

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