

02 FEB 1998

Bank-Economy

M'SIA'S EFFORTS TO DEAL WITH ECONOMIC WOES EFFECTIVE, SAYS WORLD BANK

By: Tan Hock Guan

SINGAPORE, Feb 2 (Bernama) -- World Bank president James Wolfensohn has given the thumbs up to the programmes undertaken by Malaysia to deal with the country's current financial and economic problems, saying they have been "effective".

"Malaysia has got the capacity to deal with the crisis," he told reporters here today.

Wolfensohn said Malaysia was "not one of the countries I'm deeply concerned about now."

The World Bank chief is on a tour of six East Asian nations from Jan 30 to Feb 8. He is in Singapore after visiting Thailand before leaving for Malaysia later today and then on to Indonesia and the Philippines.

In Malaysia, Wolfensohn is scheduled to meet Prime Minister Datuk Seri Dr Mahathir Mohamad and Deputy Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim.

Wolfensohn said Malaysia, which did not turn to the International Monetary Fund (IMF) for help in dealing with the crisis, have had an effective economic management.

His statement comes as Asian markets roared into the Year of the Tiger with evidence that foreign confidence in the region was returning.

All the region's major stock markets -- Tokyo, Hong Kong, Sydney, Singapore

-- gained today, as did smaller markets in Bangkok, Jakarta and Manila. The Kuala Lumpur Stock Exchange was closed today in view of the public holiday which fell yesterday.

Asian currencies were also stronger, firming or consolidating at higher levels as confidence seemed to reappear.

Wolfensohn said Malaysia, in putting in its own programmes, had also reassured concerned investors by putting off or delaying the planned big projects to a time until the economy strengthened again.

He added that in previous meetings with the Malaysian leaders some three months ago, he (already) had the impression that Malaysia could control the situation.

Asked if the worst was over, Wolfensohn said nobody could tell but that the steps taken by the various countries concerned "have diminished the chance of further eruptions". -- BERNAMA

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