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Kelantan claims it has settled debts to Federal Government

KOTA BARU, Tues. - The Kelantan Government today claimed that it had settled its accumulated debts to the Federal Government through scheduled repayment since taking over the State from Barisan Nasional in 1990.

The Menteri Besar's political secretary Husam Musa said the State Government had zero arrears by Dec 31, 1997.

"This shows that the State Government has the ability to manage its finances properly," he told a Press conference today.

He said this in response to acting Umno Youth chief Datuk Hishammuddin Hussein who was quoted as saying that the Kelantan Government was weak as it could not administer the State properly.

Hishammuddin's statement followed Husam's earlier call for Kelantan Umno liaison committee chief Tengku Razaleigh Hamzah to use the latter's good relationship with Prime Minister Datuk Seri Dr Mahathir Mohamad to write off the State's debts.

Hishammuddin had said Pas-controlled State Government had no capability to run Kelantan when it had to seek Tengku Razaleigh's assistance, and as such it would not be able to run other States as well.

Husam claimed that other States were burdened with accumulated debts as they could not repay loans to the Federal Government on time.

"Using the simple logic, Kelantan which has no accumulated debt is better in its financial management than other States," he said.

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