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Abdullah-Economy

MALAYSIA RECOVERS WITH DIGNITY, SAYS DPM

PULAU PINANG, Nov 14 (Bernama) -- Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi has slammed foreigners and opposition politicians who claimed that Malaysia's economic recovery was lagging behind countries that took International Monetary Fund (IMF) aid.

He said the critics and politicians had refused to acknowledge that Malaysia recovered with dignity.

"We did not incur the social costs and upheavals which we saw in other countries. Further, unlike those who are indebted to the IMF, we do not burden our future generations with an increased debt," he said in a statement issued after attending a state Barisan Nasional (BN) meeting at Menara Umno, here, today.

Abdullah said Malaysia's selective exchange control policy and the measures and reforms instituted by the National Economic Action Council (NEAC) resulted in the quick "V-shaped" turnaround in the Malaysian economy "without the social costs and without a burdening debt".

"We are happy that our neighbours and fellow Asian countries are recovering. Their recovery will also help us because it will bring stability and prosperity to the region.

"But these critics forget that recovery in those countries was achieved with a large social cost. There was a great deal of unemployment, poverty levels increased between 12 and 20 per cent, there was blood in the streets, and worst of all, they lost some degree of their sovereignty because their every policy was dictated by the IMF," he said.

The deputy prime minister said Malaysia recovered without the pain that other countries went through -- with full employment, inflation did not spiral and prices of essential goods did not go up.

"Our Prime Minister, Datuk Seri Dr Mahathir Mohamad's policies and leadership ensured that we did not have to kiss the feet of foreigners or the IMF. We retained our sovereignty and did not have to 'kow-tow' to the IMF. Most importantly, our people did not suffer like those in the other countries," he said.

He said that the country's exchange controls had panicked speculators and hedge funds which were caught by surprise by the move introduced on Sept 1, last year.

Abdullah said that in other countries affected by the crisis, poverty levels had risen from between 12 and 20 per cent but in Malaysia, it increased by 0.9 per cent.

"Our people also went through a difficult time but their pain was cushioned by sound and effective management of the country. Today, we are back on the road to full recovery. That must be acknowledged," he said.

He said that the BN government was "a forward-looking government" which looks to and plans for the future.

The way the government managed the economic crisis was an indicator of how it had managed to maintain the country's sovereignty despite immense internal and external pressures, he said..

Citing the communist insurgency, Confrontation, the May 13 riots and the economic turmoil, Abdullah said the government had successfully overcome all the problems.

"We have overcome all these problems. While we prepare for the new millennium, we have already put in place futuristic policies and programmes such as the Multimedia Super Corridor (MSC), Cyberjaya and new institutions

of higher learning to equip our population to face new challenges," he added.

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