

PM: Face up to new challenges

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KUALA LUMPUR: Prime Minister Datuk Seri Dr Mahathir Mohamad has called on governments and the business community not to allow themselves to be bound by convention in their effort to achieve growth.

He said they must not strap themselves to a system or ideology to the point that they became unable to do the right thing.

"We must be free to do what is best in order to achieve results. If we have to take one or more steps back in order to move many steps forward then we must be prepared to do it.

"If we take a wrong turning, if we lose our way, then do not be afraid to admit that we have lost our way and we have to go back to the start," he said in his keynote address at the 35th International General Meeting of the Pacific Basin Economic Council here yesterday.

He also advised governments and the business community against blindly following the thoughts of armchair theoreticians and their catchphrases, saying that such people had never really managed anything more than getting

their books out.

He said they should have more faith in their own judgment as there were mechanisms for dealing with governments that fail as there were for businessmen.

Dr Mahathir, who is also Finance Minister, said that when facing the recent Asian financial crisis, Malaysia rejected the orthodox formula and devised its own solution to the problem.

He also said that Malaysia's decision to control the exchange rate was not a product of anger as the country had been using unorthodox methods frequently since independence, including luring foreign direct investment when achieving independence whereas other newly independent countries were busy nationalising foreign holdings.

However, he admitted that applying unorthodox methods alone would not work without a good crisis management team and sound fundamentals from prudent management.

Stressing that Malaysia was not anti-globalisation, Dr Mahathir admitted that foreign investments and free trade had contributed greatly to the country's growth.