

Dr M: We borrow for benchmarking

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By NICK LEONG

KUALA LUMPUR: Malaysia borrows for the purpose of benchmarking and to determine the country's credit worthiness not because it is short of money, said Datuk Seri Dr Mahathir Mohamad.

The Government had successfully and efficiently managed the country's finances and it need not borrow large amounts of money, the Prime Minister said.

Malaysia was not tied to huge loans that made it utilise all its revenue to service them, he added.

Dr Mahathir, who is also Finance Minister, said the Government borrowed on a moderate scale and most of the loans were sourced locally.

"Even if we were to take up

foreign loans, it is not because we do not have adequate funds," he said at the Treasury's monthly assembly in Jalan Duta Government Offices Complex here yesterday.

Present were Deputy Finance Ministers Datuk Shafie Salleh and Datuk Chan Kong Choy.

It was the last assembly there before the Treasury moves to Putrajaya next month.

Dr Mahathir said whenever the country expressed an intention to take up a loan, many parties made offers of amounts much more than needed.

"When we go overseas, there are lots of people who want to lend us money. It shows how strong we are," he said, adding that the 2003

Budget would reflect the country's strength.

"I think we can reduce our deficit slightly and the country's ratings will improve," he said.

Dr Mahathir said the sound financial position and prudent policies allowed the Government to embark on giant projects such as Putrajaya.

"If we are poor, we may have to sell it. But thank God, we have managed our finances well. Our officials are able to budget and do not overspend.

"That is why, when we have a giant project, we are not bankrupted," he said.

Dr Mahathir said the Treasury, which had been relocated a few times since its establishment in 1957, would shift to Putrajaya and "this time it

will be able to cope for at least another 100 years".

He hoped the new location on Core Island would provide a better working environment for the 1,000 Treasury staff.

Dr Mahathir said he was thankful his decision to retire was delayed by 16 months.

"Otherwise, I may not be able to experience the new office atmosphere," he said in jest.

Thanking Treasury staff for their dedication, he said the country would have been pressured by creditors if not for their efficiency and stability.

"I hope we will continue with the same dedication when the new Prime Minister and Finance Minister take office," he said.