

08 JAN 2004
S'PORE-RESHUFFLE
NAJIB, PM'S CABINET RESHUFFLE IN THE SPOTLIGHT

By: Salbiah Said

SINGAPORE, Jan 8 (Bernama) -- Prime Minister Datuk Seri Abdullah Ahmad

Badawi's Cabinet reshuffle and his choice for number two stole the media

spotlight here, with speculations on the next general elections.

Defence Minister, Datuk Seri Najib Tun Razak, 50, was yesterday appointed Deputy Prime Minister in a minor reshuffle.

The reshuffle brought in a new face, Tan Sri Nor Mohamed Yakcop, the

man who helped former Prime Minister Tun Dr Mahathir Mohamad enact capital

controls in 1998, as Second Finance Minister, and saw three ministers

switching portfolios.

Abdullah appointed Tan Sri Muhyiddin Yassin as Minister of Agriculture,

which will play an instrumental role in the prime minister's new economic

vision and succeeding Muhyiddin as Domestic Trade and Consumer Affairs

Minister is Datuk Jamaludin Jarjis, who was the Second Finance Minister.

Datuk Seri Dr Mohd Effendi Norwawi, who was Agriculture Minister, is

now Special Functions Minister in the Prime Minister's Department, to help

chart the country's new thrust in agricultural development.

Both the Straits Times and Business Times used the Malaysia Securities

Exchange Bhd (MSEB) as the key barometer to gauge investor confidence in

Abdullah's succession plan.

The Kuala Lumpur Composite Index (KLCI) of the MSEB rose 2.4 percent to

805.76 points, its highest mark in two months, "on news that the final

piece in the country's succession plan has been completed with Datuk Seri

Najib's elevation to the country's Number 2 post," the Straits Times reported.

The Business Times (BT) puts it succinctly: "The Malaysian stock market

came alive yesterday following news that Prime Minister (Datuk Seri) Abdullah Ahmad Badawi has finally appointed a deputy, named market-friendly

czar and reshuffled his Cabinet ahead of a general election in the

new few
weeks or months."

The KLCI rose 18.47 points or a hefty 2.3 percent to 805.76 points yesterday -- after having languished below the psychological 800-point barrier in recent weeks.

"It's a good team," Johnson Tan, partner of corporate advisory outfit IB Capital was quoted as saying.

Analysts, whom BT spoke to, gave the new Cabinet the thumbs-up and read the changes as a sign that a general election is imminent.

Elections have traditionally boosted the stock market in Malaysia, and the next poll is likely to be held within three months, said the newspaper.

The Straits Times described the two new postings -- Finance Ministry and Agriculture Ministry -- as reflecting Abdullah's priorities.

According to the newspaper, "Abdullah showed his hand yesterday when he appointed a political nobody as his second finance minister and put a heavyweight minister in charge of the unglamorous Agriculture Ministry."

"Managing the country's finances carefully and turning Malaysia's ample farm lands into a conveyor belt of fruits and vegetables for the world market are high on the agenda of his two-month administration.

"One is crucial for reducing the budget deficit and the other for providing the country with a new source of economic growth as well as improving the quality of life of its politically important rural population," said the Straits Times in its analysis. -- BERNAMA

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