

PM : have faith in nation's ability to face crisis
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The people must have confidence in the country's capacity to face the challenges in the wake of the global financial turmoil, said Prime Minister Abdullah Ahmad Badawi today.

He said it could not be denied that the country cannot escape the impact of the crisis but that did not mean the people must allow themselves to get carried away by fear and worry.

abdullah ahmad badawi najib razak pc change portfolio 170908 06 "All of this started with the financial crisis in the United States and now the United States and Europe are in a recession, which is a cause for worry because ours is an open economy.

"We have economic links with other countries and more so with the United States and Europe," he was quoted as saying by Bernama.

Abdullah said this during the monthly assembly of the Prime Minister's Department in Putrajaya. Deputy Prime Minister Najib Abdul Razak was also present.

"All of this originated from them, but we have to look at ourselves. We do not have to be carried away by fear and worry. We must have confidence, the confidence to face the challenges," he stressed.

Abdullah said in the wake of the financial and banking crises of the United States having a negative effect on other regions such as Europe, the people should be thankful that the country's banking industry was still strong in terms of capital and liquidity.

"We are also strong in terms of our reserves, which can sustain at the moment. We still have strength in terms of domestic consumption, and our savings are high," he said.

Provide reasonable loans

On the same note, the prime minister called on banks to be prepared to provide reasonable loans to enable national development to continue unabated for the implementation of important projects and to give domestic investments a boost.

"All these will take place if there is confidence," he said, adding that the people must be convinced that whatever they implemented would be successful.

Abdullah said the Malaysian currency was stable and not volatile so as to cause worry, and the country had developing sectors such as tourism, Islamic banking, biotechnology and ICT.

Abdullah also said that Najib, who is finance minister, would announce in parliament tomorrow several measures the government would take to face the effects of the global financial turmoil.

"These (measures) will give us confidence to face the challenges and convince us that we have the capacity and capability to at least shield our economy from the undesirable effects.

"We must lessen the impact of the undesirable effects by encouraging investment and focusing on the developing sectors which can be given a boost for expansion, even if it's just a little," he said.

Abdullah said civil servants should convince investors that they would face no difficulty when investing in the country, particularly in terms of bureaucratic red tape, because this would ensure that the country remained their preferred choice for investment.

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