

**Keep looking East, Dr M advocates**  
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KUALA LUMPUR, Oct 30 — Tun Dr Mahathir Mohamad today urged Putrajaya to maintain his nearly three-decades old “Look East Policy”, saying that Western economies were going bust and should not be emulated.

“Right now, there are so many problems with Western countries. The problem in the West is that they have borrowed too much and cannot repay. You cannot have that kind of a country as a model,” the former prime minister was quoted as saying by Bernama Online today.

Dr Mahathir highlighted that, in contrast, East Asian countries enjoyed a surfeit of liquidity.

“China has US\$3.2 trillion in reserves. They are swimming in money,” he said.

Introduced in 1982 following Dr Mahathir’s “Buy British Last” campaign, the “Look East” policy was designed to encourage the identification of successful Asian models — primarily Japan — for Malaysia to adopt.

Today, the ex-premier continued to heap praise on Japan, promoting the country’s industriousness as an example for Malaysia.

“Japan, as you know, is a country which lost [in World War II] ... [Parts of it were] totally destroyed but as it rebuilt itself, it become the second biggest economy in the world. If you want to copy or learn something, learn from the successful people, not from the failures,” said Dr Mahathir.

The country’s longest-serving prime minister then appeared to warn against unmitigated borrowing by governments, holding Greece’s failing economy up as proof of the follies of heavy debt.

“They borrow and borrow until they cannot pay and they are all bankrupt. Greed will cause this. Today, we are seeing failed countries in the developed world,” he added.

Malaysia’s national debt is now at RM437 billion, according to a recent Bank Negara Malaysia report, staying above 50 per cent of the country’s gross domestic products.

The debt level is worrying as it mirrors those seen in the US prior to the 2008 banking and mortgage crisis, and is fast approaching the 55 per cent ceiling for national debt.

Putrajaya has tried to rein in the budget deficit from a two-decade high of over seven per cent in 2009 with Budget 2012 forecasting a 4.7 deficit.

But the opposition has called for bigger cuts to public spending, saying the economy could not sustain the present levels of expenditure.

Source: <http://www.themalaysianinsider.com/malaysia/article/keep-looking-east-dr-m-advocates/>