

**Dr M tells West to live with its new poverty**  
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**By Yow Hong Chieh**

KUALA LUMPUR, Feb 8 — Former prime minister Tun Dr Mahathir Mohamad today gave debt-ridden Europe advice on how to deal with its newfound “poverty”: Live with it.

The outspoken Umno veteran told the BBC World Service’s Business Daily in an interview that Europe must follow Asia’s lead and face up to the new economic reality or risk prolonging the euro zone sovereign debt crisis.

“Europe... has lost a lot of money and therefore you must be poor now relative to the past,” he said.

“And in Asia we live within our means. So when we are poor, we live as poor people. I think that is a lesson that Europe can learn from Asia.”

Dr Mahathir pointed out that European leaders were in a state of denial as they refused to acknowledge how much money had been lost in the crisis.

He said the situation could not be fixed by printing more money, and urged the European governments to instead focus on the long, slow process of restructuring their economies away from reliance on the financial sector.

“I think you should go back to doing what I call real business — producing goods, providing services, trading — not just moving figures in bank books, which is what you are doing,” he said.

Commodities like coffee could be made into tangible derivative products while the same could not be said of currency, which was “just figures in the books of banks”, Dr Mahathir said.

“There must be something solid to trade, then you can legitimately make money,” he said in typically blunt fashion.

But he warned that Europe’s road to economic recovery would be a long and painful one, and the region would have to spend years rebuilding its capacity to produce goods and services to the world.

He jokingly added that while his advice may be difficult to swallow, Asia had also received its share of tough messages from Europe previously.

“We used to get tough messages from you before, remember? And now, what is the result? Sometimes you undermined our currency and we became very poor.

“Well, we learn from each other. We were Eurocentric before. I think it should be a little bit Asia-centric now,” he said.

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