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M'SIA BELIEVES IN SOME "INTERVENTIONS," SAYS PM

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KUALA LUMPUR, Nov 15 (Bernama) -- Malaysia believes in some interventions in the markets to protect investments by both locals and foreigners in the country, Prime Minister, Datuk Seri Dr Mahathir Mohamad, said.

"While we would like to deregulate and have a hands-off policy, there are times that we still need to move in. You should consider this as a reassurance that when you put money in Malaysia, you also have the Government behind you," he added.

In response to a question from the floor at the international conference on +Malaysia: Powerhouse of the 90's+ here today, Dr Mahathir said: "The Government will look over your shoulders and make sure that you don't get hurt," he said.

He noted that while the private sector had been asking the Government to deregulate the market, they, (the private sector) sometimes, could be held responsible for some foul play in the market.

They could start rumours which would push the value of the currency up or down, depending on how they could make money from the movements, he said adding that Bank Negara had to step in to check the situation.

"For example, there was a rumour that the Malaysian currency was about to be devalued and apparently the ringgit did go down. We had to go in and do something about it," said Dr. Mahathir.

"I think the people should feel happy that the Government continues to be interested and have some sense of responsibility to see the market works properly. If we intervene, it will be out out necessity," he said.

"We do not like excessive competition which will cause companies to go bankrupt. For example deregulation in the United States' aviation industry has resulted more bankruptcies than benefits."

"When companies go bust the government loses money. We need the company to be successful so that they can make profit and we can tax their profit," he said.

Asked whether his outspokenness had any impact on investments here, Dr. Mahathir said that he had not found people losing interest in the country just because of this. -- Bernama