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Asean-Baht

BAHT CRISIS RECOVERING, SAYS THAI FOREIGN MINISTER

KUALA LUMPUR, July 26 (Bernama) -- Thai Foreign Minister Prachuab Chaiyasan said today the Thai Baht is recovering after the currency took a dive early this month following strong speculative pressure.

"It has come back already now because of the cooperation and coordination between Asean (member) countries," he told Bernama in an interview here.

Prachuab blamed the crisis on what he called as the "financial virus."

Yesterday, the Asean foreign ministers agreed that the regional grouping should further intensify their cooperation to safeguard and promote their currencies.

In their joint communique at the end of the 30th Asean Ministerial Meeting here, the ministers expressed serious concern over what they described as a well coordinated effort to destabilise Asean currencies for self-serving purposes, "thus threatening the stability of all Asean economies."

Apart from the Thai Baht, the Philippine Peso, Indonesian Rupiah and the Ringgit had also come under strong speculative pressure.

Earlier today, Prime Minister Datuk Seri Dr Mahathir Mohamad named US-based financier George Soros as the person behind the assault on the Ringgit and other regional currencies.

Prachuab said Asean member countries have been coordinating well even before the foreign ministers came out with their statement on the currencies yesterday.

"The statement in the joint communique is to show that we have already done it. (It is to show that) we want to enhance our cooperation in the future.

"This is a political signal (we are giving)," he said.

The Thai foreign minister said the Asean statement was more of a "psychological and moral support" to help in stabilising the Asean currencies.

Prachuab said he had strongly opposed the draft of the joint communique when it was presented to the foreign ministers because there was "nothing" on the currency manipulation.

"I wanted it (the statement on currencies) to be mentioned in the joint communique because it (the crisis) happened in Thailand. I proposed and the other foreign ministers agreed," he said.

Prachuab said he supported Dr Mahathir's statement during the opening of the ministerial meeting here yesterday urging Asean to improve cooperation and consider new approaches to counter attacks by anarchists bent on destroying Asean economies. -- BERNAMA

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