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DEVELOPING COUNTRIES MUST UNITE AGAINST ROGUE SPECULATORS- MTUC

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PETALING JAYA, Oct 26 (Bernama) -- Developing countries in the Asia-Pacific region should take a united stand against currency speculation to protect their respective national economies, the Malaysian Trades Union Congress said today.

"Continued economic uncertainties, characterised by severe currency fluctuations, will trigger off a prolonged regional economic recession resulting in bankruptcies, lay-offs, unemployment and social misery," its president Zainal Rampak told reporters at the MTUC headquarters here.

He said the MTUC learnt that as many as 40,000 workers had already been retrenched in Thailand and that this might go up to as high as 1.4 million in the near future if immediate steps were not taken to rectify the situation.

Zainal said a chain reaction might then follow with other Southeast Asian countries retrenching their workers as well as resulting in millions of families in Southeast Asia going without food, shelter and clothing and this is something that no government, union, association or organisation will desire to see.

As the national trade union body, the MTUC was deeply concerned over recent developments in the Southeast Asian economic scene, he said.

The MTUC was worried that the significant economic progress achieved by Asean countries through several years of hard work, spurred of course by increased direct foreign investment and employment opportunities, might be destroyed by rogue speculators such as George Soros, Zainal said.

According to Zainal, these currency manipulators should be put away for good and people like Soros should not be recognised or accorded any respect by the international community.

He said the MTUC felt deeply offended by the fact that the Brettons Woods Institutions (BWI), namely the International Monetary Fund (IMF) and the World Bank (WB) had invited Soros to address the IMF-WB meeting in Hongkong recently, which was also attended by Prime Minister Datuk Seri Dr Mahathir Mohamad.

"Soros is not the elected leader or head of government of any country, nor is he the governor or president of a central bank, reserve bank or monetary authority in any country," he said.

"He is, after all, only a glorified money changer with lots of cash at his disposal and this does not in any way qualify him to address a global financial meeting such as the one organised by IMF and WB in Hongkong," he added.

Referring to the current economic situation, Zainal said the MTUC also reiterated its undivided support for the government's initiatives to reduce the country's Current Account Deficit (CAD) and thereby strengthen the foreign exchange value of the ringgit.

Zainal said measures such as reducing imports, embarking on austerity measures by trimming expenses and encouraging the purchase of locally made goods, would certainly go a long way in stabilising the purchasing power of the ringgit.

In this respect, he said, the MTUC urged the government to institute strict punitive measures against profiteers to protect the common man from being burdened unnecessarily, especially during the current Deepavali festive season.

According to Zainal, wholesalers and retailers had largely ignored

government warnings not to raise prices of essential goods.

"They have resorted to profiteering by indiscriminately increasing the prices of essential goods such as foodstuffs and consumer items -- meat, fish, vegetables, fruits and dairy products.

The prices of these items had gone up substantially, sometimes by as much as 200 per cent in certain areas like Kuala Lumpur and Seremban, he said.

He said these unscrupulous traders had taken undue advantage of the haze and currency fluctuations and were attempting to undermine the quality of life of all Malaysians by making goods beyond the reach of the low and middle income groups.

"To make matters worse, highway toll rates are to go up, thus adding to the financial woes of the low and middle income groups," he added.

Zainal said the MTUC would seek a meeting with Deputy Prime Minister Datuk Seri Anwar Ibrahim who is also Finance Minister to request him not to approve increases to highway toll rates as they would only increase the cost of living and inflict more harm on the livelihood of the poor. --

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