

04/10/1997

Don't panic, Dr M urges Malaysians (HL)

Kamarul Yunus in Montevideo (Uruguay)

MONTEVIDEO (Uruguay), Fri: Prime Minister Datuk Seri Dr Mahathir Mohamad wants Malaysians not to panic but to stay united and disciplined in facing the current "financial crisis".

"We have a problem and must face it by ourselves. Through discipline and resilience, we will be able to tackle (it). We can overcome the problem by being disciplined. If we panic, we will lose," he told Malaysian journalists at the end of his two-day visit to Uruguay yesterday.

Dr Mahathir was responding to a suggestion that the ringgit depreciation has worried some Malaysian businessmen who have resorted to selling their shares in companies to cushion their losses.

"Within a society, there are some who are weak and I am not blaming them but I do hope they will be disciplined enough and not panic. The press too should not be panicky. If the press panics, then we are finished," he said.

However, he acknowledged that some quarters in the business sector have kept their faith in the actions taken by the Government.

"They (businessmen) should trace the Government's record since the country achieved independence. They have become rich due to all the efforts taken by the Government in implementing several national development programmes," he added.

Dr Mahathir recalled the many times that the Government had overcome major problems.

"Yes, we have been able to solve many problems. For example, when the price of petrol went up and inflation rate increased to 17 per cent in 1973, we managed to overcome. In 1985, a lot of people went bankrupt due to crisis in our property market but we still managed to solve the problem although there were people who said we were stupid and did not know how to run the country.

"(They) said we should follow others, that we should adopt the herd mentality, like cattle," he added.

Dr Mahathir said other countries face even bigger problems.

"For instance, (Uruguay) has an inflation rate of 1,000 per cent but it still survives and is not dead. This country does not vanish.

"(Malaysia's) inflation rate is only a few per cent. I think if we instil a sense of discipline, we will be able to solve our problem," he added.

Asked on the general reaction or feedback from the international community and leaders towards his "provocative" address at the Pacific Economic Cooperation Council general meeting in Santiago, Chile, Dr Mahathir said:

"As I have said, every time I make a speech, there seems to be some sort of pressure on the ringgit and our currency will depreciate. The question here is whether we will bow to this pressure.

"It is not a pressure from (another) Government, but individuals who are not elected by anybody; whereas, we are an independent state, having an elected Government."

He said it will be meaningless if a nation has achieved independence and practises democracy but the elected leaders of the country had to bow to irresponsible elements.

"Are we supposed to foresake our independence and bow to other people. There may be some Malaysians who would say to bow is better rather than

see our ringgit depreciate. But it is not necessary that if we do bow, the irresponsible elements would not put pressure on the ringgit," he added.

"In the first place, the Government did nothing to irk the speculators. Yet they took the initiative to jeopardise the country's economy.

"Previously, I have never said even a word about `Yang Berbahagia Encik Soros' or others but look what they have done to us. If we think that by bowing to their pressure they will treat us as their friends, I think we are mistaken.

"I will never bow (to this kind of pressure). We have strived hard to bring our dignity to the highest level and struggled for independence. Are we going to lose our dignity and foresake our independence just like that.

"If some Malaysians feel they want to bow to these irresponsible elements, let them bow. I am not ready and will not bow to them," he added.

On suggestions that now is the time for Malaysia to make changes to the leadership due to the financial crisis, Dr Mahathir said there is an effort to create disunity among the leaders.

There is also an effort to create strains in the relationship between Malaysia and Indonesia.

"The Indonesian Central Bank governor during an interview was asked several time about Dr Mahathir with the hope that he would say that this (Dr Mahathir) is a bad guy. But the governor never said that," he added.

Asked why the majority of leaders in the developing nations prefer to keep silent although they supported his views regarding the "rogue currency speculators and manipulators", Dr Mahathir said:

"We cannot blame them or get angry with them because they are poor. They are indebted to the rich and their arms are being twisted. So they cannot say that they support us. In fact, we are also being tested and our arms are being twisted."

Besides the International Monetary Fund, Dr Mahathir said there are many other forums on which Malaysia will raise the currency issue for discussion and debate.

"We may succeed and we may fail. But if we fail, believe me, all the developing nations will be thrashed by these irresponsible elements, especially when their respective currencies appreciate a little," he said.

On the impact of the currency problem to the laymen, Dr Mahathir said the Government is compiling data to gauge this.

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