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Dr M: It's a deliberate agenda (HL)

A. Kadir Jasin in Okayama, Japan

THE current speculative pressure on several Asean currencies, including the Malaysian ringgit, could go beyond pure profit-making, Datuk Seri Dr Mahathir Mohamad said yesterday.

The Prime Minister said there was reason to believe that the speculative activities were linked to a deliberate "agenda".

Responding to questions posed at the dialogue held in commemoration of the 50th anniversary of the Okayama Committee for Economic Development, Dr Mahathir said the trend pointed to a certain powerful American financier.

Later when asked by Malaysian journalists covering his five-day working visit to Japan, Dr Mahathir said the financier, who is also the head of a foundation, is known to hold a strong view on Myanmar's admission into Asean.

He said the financier is known to have tried to use his financial clout in the US to block Myanmar's entry.

The Asean currencies, starting with the baht, had come under strong speculative pressure since the beginning of the month.

Dr Mahathir said the suspicion that a deliberate attempt was being made to depress the value of the Asean currencies was strengthened by the fact that it happened when Asean economic fundamentals were generally strong.

The Prime Minister admitted that the speculative activities had brought about negative effects on the affected Asean countries.

He noted that although Asean economies in general were stronger than some developed countries, pressure was being systematically applied to force them to devalue their currencies.

Referring to Malaysia, the Prime Minister said suggestions continued to be made by outside parties that the ringgit should be devalued even though the economy was strong and corporate profits were on the rise.

He cited the rapid economic growth and the large improvements in the profits of major corporations like Petronas and Proton.

He asked: "Are we sovereign nations? If we are, we should be allowed to defend our currencies."

Unfortunately, said Dr Mahathir, speculators continued to apply pressure on the Asean Governments to loosen controls over their currencies.

More than 200 participants representing the Okayama Prefectural Government, the business community and the universities took part in the two-hour dialogue.

Also present were Malaysian students at local Japanese universities and Malaysians undergoing training with companies in Japan. He later met the students and trainees for a photograph session and to sign autographs.

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