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Dr M on why some mega projects had to be delayed

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MAJOR projects delayed due to the depreciation of the ringgit will be expedited when the value of the currency improves, Prime Minister Datuk Seri Dr Mahathir Mohamad said yesterday.

Speaking at a Press conference at the end of the first day of the Umno general assembly, Dr Mahathir said:

"If we recover, we will certainly speed up (these projects). But if I say this, these speculators will be even more determined to make sure that we will not be able to do it, maybe by keeping the ringgit low by undermining our stock market. I don't know what grudge they have against us."

Dr Mahathir said while the value of the ringgit had depreciated, project costs increased by 20 per cent.

"They (the speculators) are very happy because their actions had forced the Government to delay some of its mega projects," he said. "If they have not done so, we would have proceeded with the projects as planned because we had no problems, until they started undermining our currency."

Dr Mahathir had said that among the projects that might be delayed were the Northern Regional International Airport in Kedah and Kuala Lumpur Linear City.

The Umno president said the stock market manipulators had succeeded in making Malaysia poorer.

"I don't know why they were against these projects ... it is our project anyway ... but they wanted us to stop these projects," he said. "When we did not do so, they got annoyed and pushed down the value of the ringgit, which of course makes these projects 20 per cent more expensive.

"Therefore, we will have to slow down these projects. I wish them all the best because they can now celebrate."

Asked how he felt about these actions by the manipulators, the Umno president said:

"Well, I feel sad. I don't see why these people are so keen to stop these projects. These people somehow or other would like to see Malaysia poor.

"We shouldn't build buildings that are taller than theirs. It hurts a lot of people, financial reporters especially. They are very annoyed that we have the temerity to challenge the status of the developing countries by doing things that they have not done.

"We will remember that. In future, we will make sure that our buildings are two metres shorter than theirs. Maybe that will stop them from going after us."

On the decision to lift trading restriction on the 100 stocks which form the Composite Index of the Kuala Lumpur Stock Exchange, Dr Mahathir said the restriction was to stop short-selling and manipulation.

"We have achieved our objectives," he said. "Our objectives were to stop short-selling and manipulation and that has stopped. There is no necessity to place these restrictions on the 100 companies."

Dr Mahathir said although the restrictions had been lifted, the Government would not allow short-selling nor tolerate manipulation.

The RM60 billion he announced earlier to buy shares of local companies to defend share prices would remain as a stand-by fund.

"The market improvement today had nothing to do with the fund," he said.

Dr Mahathir had on Wednesday announced that of the RM60 billion, RM30

billion would be derived from Khazanah Nasional Bhd while the rest from other Government-controlled funds and the private sector.

Asked on the outcome of the meeting between Economic Adviser to the Government Tun Daim Zainuddin and foreign fund managers, Dr Mahathir said Daim had informed him that the meeting took place.

"Yes, he did meet them. He did not tell me what he discussed. Maybe we can see the results already," he said in an obvious reference to the KLSE which closed 12.37 per cent higher today.

On a foreign report that American financier George Soros had tried to help push up the ringgit by buying it, Dr Mahathir replied sarcastically:

"I pity him because he supported the ringgit but it fell anyway. That means he lost. Now he is poorer than us. I will believe it when I see the pigs fly."

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