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Dr M: Judge us by performance

RIZ Khan: Joining us from Kuala Lumpur in Malaysia, for a rare interview is the Malaysian Prime Minister (Datuk Seri) Dr Mahathir Mohamad. He is arguably one of the most influential, most direct and, indeed, controversial leaders in Asia. He'll take your questions by phone, fax or Internet in just a few minutes.

But by way of background, Dr Mahathir has served as Malaysia's Prime Minister since taking office on July 16, 1981. A dominating force, he has led Malaysia's economic transformation and put it and Asean on the map. But Dr Mahathir also has his share of critics.

Let me start with a question that's making the news really, today. It's the issue of the financial problems in Asia and you are angry, blaming currency speculators, and you said some of them should be shot. It sounds like you are getting very angry with the situation. What do you intend to do about it?

Dr Mahathir: Well, there is not very much we can do because we are weak, we are poor by comparison ... These people have billions of dollars which they use to push up prices, push down the value of our currency, push down the share prices and generally impoverish us.

We are now poorer by almost 20 per cent and nobody can say that being poorer by 20 per cent because of manipulation by these people is something that one should welcome. Despite the fact that we believe in free trade, borderless world and the like.

Kenny Lim (Kuala Lumpur): With a weakening ringgit and a depressed stock market, how do you intend to change international money market rules or a jittery Wall Street?

Dr Mahathir: We should not be that much influenced by what happens in Wall Street. Our fundamentals are very good. People should judge us by our performance. At the moment there is total dichotomy between what is happening with our companies and their performance. And, the share prices for example, or for that matter, the value of the ringgit ... The value seems to respond to what is being done to the ringgit and the shares by manipulators with huge sums of money, who when they unload whatever they have, push down share prices and the ringgit's value. And when they buy, it goes up. These people are actually outsider traders ... Not insider traders because they know exactly what is going to happen and they go in and they do it so that they can make money for themselves at the expense of very poor people in our countries.

Anwar (Belgium): You are the pioneer of Malaysia's economic success. What advise/suggestions would you like to give to other developing countries which want to follow Malaysia's economic success story?

Dr Mahathir: If Malaysia is any example at all, I think one of the most important things that we have achieved is political stability. Despite having a multiracial country, we have managed to work together harmoniously ... With political stability, we can then focus on economic matters. We plan our economy in order to make it grow and we have achieved results.

A Caucasian caller (Kuala Lumpur): You have been very critical recently of Australia and the racist policies of Pauline Hanson. My question would be ... Australia has a law which dictates by citizenry that it is equal and right for all individuals. Here in Malaysia there is a law which actually segregates the population. Do you think that's a benefit to the

country?

Dr Mahathir: Well it has benefited the country. We have grown very fast. We have political stability. People are happy. You can see them celebrating the National Day. Therefore they are not as concerned. But you are being academic. You do not consider what is happening here. You consider your principles are more important than what actually happens on the ground. This is a problem with a lot of very theoretical people. Because they believe in freedom, then freedom must be shoved down everybody's throat even if they choke in the process.

Khan: Isn't this not the principle of democracy.

Dr Mahathir: There is a principle of democracy. In Malaysia, it is the people which chooses the Government and we are here by virtue of their supporting us.

If they do not like us they can throw us out. But they have shown their support for us in more ways than one and we think that is an evidence of democracy.

The fact that some people disagree ... A minority disagrees, does not mean that we are not democratic. We believe in democracy and we practise democracy.

Joshua (Hong Kong): I am wondering ... You called George Soros a moron with a lot of money. I would like to know how do you know that he was behind the speculation against the ringgit in recent weeks?

Dr Mahathir: He admitted that he was involved. He says, of course, that he was not that much involved. But we know he operates several funds and those funds are being used in order to depress the value of the ringgit. And they have started something which has been followed up by other funds. Otherwise, how would the ringgit be devalued so quickly unless somebody is manipulating it. It does not happen by itself.

Ernest (Switzerland): Coming from the Third World, I must say how much I admire your stand against economic imperialism. Do you think the rest of the Third World can learn from your ideals and ideologies ... How best could they do that?

Dr Mahathir: I think the rest of the Third World can learn something, perhaps from us. But their capacity, of course, is limited because they have been having problems, particularly those which became independent after the war.

They could not settle down to a democratic form of government and they couldn't settle down to an authoritarian form of government. They're still going through the process of learning how to manage their politics and economics. We, on our part, have invited a lot of them to come to Malaysia and see what we have been doing here ... And, if they think that we are doing the right thing, they are welcome to learn from what we have been doing.

Khan: Dr Mahathir, it is well documented how you've turned Malaysia around in your time as Prime Minister, but there are those who say that maybe you've over-invested in your country, maybe the back-up infrastructure isn't there and that could be one reason why there are these resulting problems. That perhaps it's not sustainable ... This level of investment in Malaysia.

Dr Mahathir: I can't understand why there should be these criticisms. On one hand, they say we do not have the necessary infrastructure, and yet when we put in money in order to provide the necessary infrastructure, like a new airport to replace an airport that can no longer handle the present traffic. For example, the present airport was designed to take 400,000 passengers a year. Today, we are handling 16 million passengers. Obviously, we need a new airport and when we do that, people say we are spending money on mega projects. Similarly, we need power (cheap sources

of power) and we are developing a hydro-electric power plant which is going to cost quite a bit of money. But it will save us a lot of running costs in the long run. These are the infrastructures that we are putting in. Yet, we are being criticised for that and when we don't provide the necessary infrastructure, again we are being criticised. We don't know really what other people want of us.

Unidentified caller (Hong Kong): I understand that you would be meeting Hong Kong Chief Executive Tung Chee-hwa tomorrow (Wednesday). I would like to know what you plan to talk about and what do you think both Malaysia and Hong Kong can learn from one another?

Dr Mahathir: Malaysia and Hong Kong have been doing a lot business in the past ... We would like to continue and would like to know what the present system will do... improve trade relations and relations in other fields. Obviously, we need to know more about each other and the new system of government that is in place in Hong Kong with an idea to improve relations and trade, in particular.

Unidentified E-mailer (Lebanon): What are the advantages and disadvantages of a direct Islamic interference in the laws of secular Malaysia?

Dr Mahathir: There is no reason why there cannot be any influence of Islamic laws in Malaysia but we have a multiracial/multi religious population and they will not take kindly to a law that is based on just one religion because they profess other religions. So as long as our, so-called, secular laws are not in contradiction with the teachings of Islam, we feel we have done our best for our religion because we do not think our religion wants us to impose our religious laws on other people.