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Dr M: Find ways to fight back (HL)

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KUALA LUMPUR, Thurs. - Datuk Seri Dr Mahathir Mohamad opened the enlarged Asean Ministerial Meeting with a call to member countries to improve their co-operation and consider new approaches to counter attacks from anarchists bent on destroying the association's economies.

The Prime Minister described those trying to undermine Asean economies as "rogue speculators" and "anarchists".

There was, he noted, a well-planned effort to undermine the economies by destabilising their currencies. He said Asean countries had, through good economic fundamentals, achieved much progress, yet this could be destroyed by "anyone with a few billion dollars". (See Pages 12 and 14 for full text.)

This was Dr Mahathir's second bitter attack on such speculators in four days. At a dialogue in Okayama, Japan, on Monday, the Prime Minister said the current speculative pressure on Asean currencies could go beyond profit-making and that there could be a deliberate agenda behind it all.

But his words, particularly in his speech, this time significantly fell on the ears of key participants, diplomats and a legion of international observers attending the annual ministerial meeting of Asean, which, with the admission of Myanmar and Laos yesterday, consists of nine countries.

Dr Mahathir said Asean had often been told to open up and that trade and commerce must be totally free.

"Free for whom?" he asked. "For rogue speculators. For anarchists wanting to destroy weak countries in their crusade for open societies, to force us to submit to the dictatorship of international manipulators."

The Prime Minister said while Asean should worry about the borderless world of the Information Age and the free market, it was not rejecting this notion.

"But we should know where we stand. We should know how we are going to handle the problems which will arise," he said and linked this to the formation of powerful regional trade blocs.

He noted that eight of the most powerful nations had decided that they had the exclusive right to determine the fate of every country.

"When they agree on anything, as for example the revaluation of the Yen, we have to pay the price. And when they quarrel, we will be trampled."

But he saw some light in the solidarity of Asean, saying that alone none of the members could do much whereas "nine Asean countries with half a billion people may be able to do something to help ourselves".

Later, at a Press conference, Dr Mahathir said the level of co-operation among the central banks of Asean nations should also be improved.

"Exactly how I won't be able to say, but certainly by working together we can increase our clout and we will be able to deal with this kind of problem which is common to all of us," he said after opening Asean's 30th Ministerial Meeting at the Sunway Lagoon Resort Hotel.

During the 30-minute Press conference, he fielded questions from both Malaysian and foreign reporters on wide-ranging global and regional issues.

Asked whether the co-operation among the central banks was sufficient to prevent speculative attacks on the currencies of the region, Dr Mahathir said:

"Well, obviously it could be improved ... everything can be improved.

"We already have some kind of co-operation and arrangement. Obviously,

it is not sufficient or effective enough to deal with the kind of situation we are facing now.

"We need to have a common stand on how to deal with this issue and if it is necessary to formulate some laws regarding our currencies, we may do so. We are examining all possible areas of co-operation," he said.

On whether the speculative activities were based on weakening fundamentals such as the reduction of exports from Southeast Asian nations, Dr Mahathir said:

"I wouldn't say that the fundamentals are not good. In fact, most companies in Asean countries are doing well in comparison to even those in Europe.

"To use that as an excuse for attacking the currencies and profiteering, is not good enough."

Dr Mahathir said he had reasons to believe that individuals were behind these speculative attacks. He, however, declined to name them.

"Well, it sounds like there are some individuals who want to be charitable.

"They are speculators ... some people who apparently have lots of money are speculating (on the currencies). I think you know them as much as I do. But I don't want to name them."

The ringgit, together with several other Southeast Asian currencies, has weakened having come under attack by speculators, particularly foreign-based, in the past few weeks.

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