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G15-Currency

G15 LIKELY TO ISSUE SPECIAL STATEMENT ON CURRENCY MANIPULATION

By: Abdul Rahman Ahmad

KUALA LUMPUR, Oct 30 (Bernama) -- G15 leaders meeting here next week are expected to issue a special statement on the currency turmoil that has affected two members of the grouping, Malaysia and Indonesia, along with several other countries.

Zimbabwe Permanent Representative to the United Nations, Tichaona J.B. Jokonya said such a statement would be more effective in addressing the issue rather than including it in the general communique that was usually issued at the end of the summit.

Zimbabwe had made the proposal for a statement at yesterday's 39th meeting of the personal representative of the heads of government and it received "strong support" from member countries due to its importance, he told reporters here.

"It would be more effective and it can go out to the world," said Jokonya.

Asked whether currency manipulation will be on the top agenda of the summit, he said: "Yes, it is a serious development. When the seventh summit was proposed in Harare and Malaysia accepted the chairmanship, the problem was not there.

Although an agenda had been prepared for the leaders, they were free to take up any current issue, said the Zimbabwean ambassador.

"We are certain this issue is going to be discussed. We, in fact, suggested it and it is in the agenda as an item.

"I think it has become an important thing because it was not restricted to Malaysia but also Indonesia and other countries in the region and South Korea," he said.

"We are talking about Brazil and Argentina, which represent the Latin American countries, which is just next to the United States that cannot just ignore the grouping's voice," he said.

Jokonya said the G15 had taken the step to issue a special statement at its last summit in Harare to address the issue of linking social clauses to labour which was detrimental to developing countries.

Asked why the G15 would take up the matter, he said: "I think this problem happened last year to Mexico. But it was restricted to Mexico alone and because it was a member of the North America Free Trade Agreement (Nafta), the United States came to its rescue to help push up the peso."

Asked how developed nations would react to such a statement from G15, Jokonya said the North would have to accept that they themselves are not immune to speculative attacks.

"When the Hang Seng went down, New York fell apart in a manner they did not expect," he said, referring to the Wall Street plunge earlier this week.

Malaysia's Prime Minister Datuk Seri Dr Mahathir Mohamad had said that Malaysia would take the opportunity to speak out against currency manipulation at international forums.

G15 comprises Algeria, Argentina, Brazil, Chile, Egypt, India, Indonesia, Jamaica, Malaysia, Mexico, Nigeria, Peru, Senegal, Venezuela and Zimbabwe. Kenya will be admitted as the 16th member during the summit here.

-- BERNAMA

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