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Individuals `regulate market for own interest'

Baidura Ahmad in Hong Kong

PRIME Minister Datuk Seri Dr Mahathir Mohamad said yesterday that elected Governments acting as market regulators for financial markets were a lot better than individuals with their own personal agenda.

"They regulate the market for their own interests," he told an audience of more than 500 at the annual seminar of the World Bank and International Monetary Fund.

He added that at least the Governments were responsible to the people who elected them to be there. If they were wrong, one could throw them out.

"But I cannot throw out this great man who has a lot of money. I can't even mention his name," he said in a veiled reference to investor George Soros who Dr Mahathir blamed for the speculative attack on the Southeast Asian currencies.

Dr Mahathir was also asked how the Government differentiated between "money that comes into the country" as investment and "money that goes out" as being due to speculative activity.

Dr Mahathir said Malaysia always welcomed long-term investors, people who invested for long-term gains such as setting up factories and providing services.

"Then there are those who I term hot money manipulators who are only interested in short-term gains, making a quick buck in a particular country before moving.

"That kind of investment is not welcomed in Malaysia," he added.

Dr Mahathir received a one-minute ovation after his presentation.

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