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Look who's singing a different tune

IT IS an irony for billionaire George Soros, someone renowned for possessing deft skills in manipulating the currency market, to call for order in that very field. Even stranger is the fact that his call came only weeks after ridiculing Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad for making an identical call after the ringgit was significantly weakened by activities of international currency speculators. In their respective fields, the two are indeed great personalities. They only differ in what they believe in and what they fight for.

The Prime Minister's only motivation for his now seemingly tireless efforts in making the world understand the scourge of currency speculators arises from his anger in seeing decades of progress being eroded in a matter of a month by outsiders. His feelings are shared by all Malaysians who have seen their per capita income, purchasing power, investments, and not forgetting, the promise of a stable outlook, being swept away by these speculative activities. But still, a few weeks ago a major part of the world, Soros himself included, dismissed Dr Mahathir's anger as that of someone who did not fully understand market forces.

Last weekend however, Soros wanted some degree of regulation in the market. His motivation for asking was a US\$2 billion depletion in his hedge fund when he himself got lost in the maze of speculation of which he was an integral part. The world knows George Soros as a currency speculator. Books and numerous other articles have been written about him and his endeavours in the murky world of the foreign exchange market. Whether he donates a portion of his revenue to those he feels are in need is not an issue because the manner in which he obtains the money is often hurtful to others. While some have glorified him as a hero, likening him to England's folk hero Robin Hood, the fact remains that to take away the possession of others, no matter for what purpose, is morally wrong. That's robbing.

The fact that he made the call after losing US\$2 billion makes his motivation even clearer. To him, it is perfectly all right when speculative activities in the market cause countries and their people to lose billions of dollars but wrong when such activities hurt his own pocket. That points to nothing more sinister than greed. As to what type of an "international authority dealing with supervision" Soros ideally wants in the forex market, it is anyone's guess. Malaysians in general, would however want an authority that would outlaw practices such as Soros' altogether. Perhaps, if he really think of himself as the "man-in-the-hood", Soros should be prepared to lead the life similar to that of Robin Hood in the folklore - constantly hunted by the Sheriff of Nottingham.

It will be interesting, after this sudden twist of events, to see how the powers, world bodies and the many self-glorified armchair economists, who have dismissed Malaysia's anger, will react. Whatever they choose to believe in, the fact remains that there is no other alternative but to take a hard look at currency speculation. Failure to do so will continue to expose world markets to unpredictable and volatile movements that can hurt many. The world almost saw a widespread market crash a week ago when the waves of speculative attacks on South-East Asian currency and equities markets drove other major ones across the globe to their knees. Ultimately, there has to be some firm control on such activities in the

market.

In the final analysis, the world should start recognising what true responsibility means, even if such an example comes from a developing country like Malaysia, and not be inclined to simply accept all movements as those due to market forces, just because that suggestion came from the developed world. Believing entirely in the latter could be self-destructive. Ask those who once thought of the region's economic problems as solely due to internal matters without a bearing on other markets, They were proven wrong last week. Or better still, ask Soros himself.

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