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M'SIA CONSULTS ASEAN PARTNERS ON DECLINING CURRENCIES

KUALA LUMPUR, Aug 16 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad, unhappy with the current weak ringgit, said today Malaysia is discussing with other members of Asean faced with the same problem, to seek ways to deal with the matter.

He said the central banks in the region, including Malaysia's Bank Negara, have been in "some communication" with each other.

"We are talking with a lot of people now," he said when asked if the central banks in the region would get together to fight the decline in the value of several Asean currencies.

"We see what we can do...We have some communication," he told reporters after opening Gerakan's 26th delegates conference here.

The ringgit, Indonesia's rupiah, the Thai baht and the Philippine peso fell against the US dollar in recent weeks due to strong currency speculation.

When asked if he was still happy with the level of the ringgit, Dr Mahathir said: "Well, to ask me whether I am happy, of course, I am not happy. I want (the ringgit) to go back to (an acceptable level)."

When told that the speculators were still hammering the ringgit, the Prime Minister said: "They can hammer as much as they like."

"But we will come out of this some how. We have got confidence we can manage our economy. All these crooks and all that, they can do what they like," he said.

Dr Mahathir also renewed his criticism against US financier George Soros whom the prime minister said was behind the ringgit attack.

"This so-called philanthropist, Mr Soros, is depicted as a philanthropist who steals from the poor in order to give a little part of that money by way of charity," he said.

The Prime Minister said due to the so-called "open economy", the rich countries today have found a way of subverting the poor countries.

"Everything is in their favour. They have the money (and) they can subvert us. We work for 14 years trying to build up the economy and these people come and rob poor people," he said.

Asked whether the government should take steps to attract foreign tourists in view of the weak ringgit, Dr Mahathir said it could be done but it would take a long time.

"In the meantime, the instability of the ringgit (is) something that is a problem. You don't know what is going to happen," he said.

Citing an example, he said if the government was to lower the charges for certain items, foreign inputs into such items would cost more.

On the Kuala Lumpur Stock Exchange (KLSE), the Prime Minister reiterated that local investors and fund managers must protect the KLSE and maintain the prices of the counters or "otherwise they will lose".

"We already lost more than RM200 billion which is equivalent to about four years of our national budget and this is because the robbers come and undermine our economy," he said.

On the move to slow down the implementation of some national projects, Dr Mahathir said it only involved government-run projects while the private sector could carry on with theirs as scheduled.

"The government projects, we have to slow down a little bit, that's all. The rest, they can go on," he said.

Dr Mahathir also clarified that there have not been any mega projects

undertaken by the government apart from the new Kuala Lumpur International Airport which he said was nearing completion.

"I don't know what you mean by mega projects. Which one is the mega?" he questioned the reporter who had earlier asked the Prime Minister if there would be a suspension of mega projects.

"We are not suspending anything. In fact, there are no mega projects.

"You pick up this term (mega) from the foreign press. In Malaysia, every thing is mega even the private sector. They don't just build housing estates, they build a whole city costing billions of dollars," he added. --

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