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Nations urged to act against rogue traders

Fadzil Ghazali

UNSCRUPULOUS forex speculation can be made an international crime if all countries cooperate, Prime Minister Datuk Seri Dr Mahathir said.

Referring to US financier George Soros' speculative activities on the region's currencies last month, Dr Mahathir said the act, while still not being acknowledged as an offence, is indeed a crime.

"We will overcome this problem. This, however, requires the cooperation of the affected countries," he said when responding to a question from a participant of a regional conference on "Facing the 21st Century: Reformation and Challenges of the Muslims" in Kuala Lumpur yesterday.

He added that what Soros did is a crime because the impact of his action is causing severe damage to the poor in developing countries.

"While the rich can somewhat still continue with their daily lives, the poor had lost between 10 per cent and 25 per cent of their earnings in terms of value," he said.

Dr Mahathir said the incident taught Malaysia and other countries in the region that it took only one person, within two weeks, to disrupt long years of efforts to develop a country.

"We have tried very hard to develop our country. It has not been an easy task, but here comes this man, and in two weeks, he succeeds in taking away 10 per cent of Malaysia's economic achievements, 20 per cent in Indonesia and much more in Thailand."

Dr Mahathir said action can be taken against this unscrupulous speculative activities if it is regarded as a crime.

"For example, the US had initially allowed a business monopoly to be held by one person whereby he can control the entire business without it being regarded as an offence."

Dr Mahathir said due to this, the US saw the emergence of a person called Rockefeller who ended up having a monopoly over the country's oil and gas sector.

"Nobody else can do the business without being under the control of his company. He controlled the entire business to an extent that he dictated the selling price of petroleum in the US.

"As a result of this, he became very rich and any company which dared to compete with him had to close shop due to losses.

"The Americans also suffered because of the steep price of petrol quoted by him."

Dr Mahathir said in the end, the US Government realised that what Rockefeller did, which was not an offence at that time, should be made a punishable crime.

Subsequently, the US Government passed a new law called the Anti-Trust Law, which prohibited any form of monopoly in the country.

After the law was enforced, Rockefeller's reign over the petroleum sector weakened until he no longer controlled the market.

"But now, what Soros is doing has not been regarded as a crime by the US because the US is not a victim. The victim is us, the developing countries.

"If we are silent about the situation, the activity will continue...We should voice our opinions and work together, particularly those who are already victims, to make it an international crime," he added.

Dr Mahathir also described Soros as "a greedy man" because the American financier already owns billions of dollars, and yet he "steals from the

poor".

"He is not Robin Hood. At least Robin Hood robs from the rich to give to the poor.

Soros steals from the poor to stuff his own pocket first, and then contributes very little to the poor. This type of man is a criminal," he added.

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