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Protect developing nations, Mahathir urges the rich

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MALAYSIA has asked the international community to protect developing countries by making it illegal to manipulate the financial markets of these countries, especially through short-selling.

Prime Minister Datuk Seri Dr Mahathir Mohamad said while Malaysia believes in an open market, "people who use large amounts of money to devalue currencies are not trading the normal way".

"(It) is like monopoly ... countries like Malaysia are not safe with this kind of manipulation," he told a news conference at the end of Umno's 51st general assembly in Kuala Lumpur yesterday.

The Umno president said this form of manipulation does not happen in developed countries.

"So they must take into consideration poor countries like us.

"Any system which can be abused blatantly should be stopped immediately," he said.

Dr Mahathir was asked how Malaysia can protect itself against rogue manipulators in the open market system.

He said these manipulators are doing nothing but merely talking and making money from funds all over the world.

"Thus, it is timely that the international community put a stop to their manipulation and make it illegal.

"Although there may not be a conspiracy, there is too much coincidence as the current financial crisis has happened to the group of countries that are the so-called 'Asian dragons and tigers'.

"Apparently there are some quarters who are not happy with the rapid growth of South-East Asia.

"So we cannot be 100 per cent wrong to say there is an attempt to stifle growth in the region.

"There has been talk that they don't want to see anymore 'little Japans'. That was told by Mr (James) Baker (former US State Secretary) to the Japanese ... so the Japanese are not supposed to help the emergence of 'little Japans'," he added.

Earlier, in his winding-up address to the assembly, Deputy Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim said the Government has told the International Monetary Fund to be more pro-active in helping developing countries protect themselves against these manipulators.

On how long the so-called mega projects in the country will be delayed due to the financial market problems, Dr Mahathir declined to comment.

"My reply will cause some people to manipulate and push down the markets," he said.

He said some people seem not to want Malaysia to build mega projects although, he stressed, there are no mega projects.

"We are not building statues of me. If they want to build such a statue, I would prefer it to be made of gold.

"They seem not to want to see us build the so-called mega projects like the Bakun dam.

"They condemned mega projects, and later ask why there is shortage of electricity supply. We can never be right," he said.

The Government announced the delay of several major infrastructural projects last week in view of the ringgit depreciation, which would inflate the cost of building these projects.

On the proposed RM6 billion bridge linking Peninsular Malaysia and

Sumatra in Indonesia, Dr Mahathir said the Government will have to study the proposal first.

"We will announce it later. Obviously, it will take time to study the proposal. That can be delayed, but some people seem to object for the reason they just don't want us to build the bridge ... RM6 billion is not much," he said, when asked whether the proposed bridge would be delayed as well.

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