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Mahathir - PECC

THERE IS NO GAIN IN IMPOVERISHING OTHERS, SAYS PM

By: Syed Jamil Jaafar

SANTIAGO, Oct 1 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today no one but speculators and manipulators gain from the impoverishment of other countries.

'No one gains anything, not the country concerned, not the country of the people who undermined the economy of the aforesaid country,' he said.

Addressing the 12th Pacific Economic Cooperation Council (PECC) conference as a special guest speaker over dinner, Dr Mahathir argued that rich countries, including rich developing countries, made good trading partners.

'If you impoverish these countries, you would really be killing the geese which laid the golden eggs,' he told 600 delegates from Pacific Rim countries comprising ministers, policy-makers, academicians and corporate leaders.

He cited the case of Malaysia which had been made poorer by 23 per cent as a result of attacks by manipulators on its currency.

'As a result of the depreciation of the ringgit, Malaysia cannot now import all those things we used to buy from you (developed countries).

'In the first place we need 23 per cent more of our money to buy whatever we used to buy and finding that extra money is not going to be easy.

'Even if we need to import these things, we have to cut down by 20 per cent at least. You will lose 20 per cent of your Malaysian market.'

Dr Mahathir said besides this, Malaysia had also been told to reduce its balance of payment deficit and the only real way to do this was to import less.

He said currency manipulators had pushed back the economy of Southeast Asia by 10 to 15 years and made poor innocent people poorer.

'Today the countries of Southeast Asia are the main victims but as we all know Mexico and Brazil have been attacked too. So has South Africa. So had a few East European countries.'

'It would seem that as soon as a developing country appears rich enough, it will be raped and impoverished again,' Dr Mahathir said.

People may want to uphold free trade and consider currency manipulation and short-selling as part of free trade but they need not be, said the Prime Minister.

'If we cannot stop currency trading, we should at least try to regulate them.'

Dr Mahathir also said the present crisis in Southeast Asia had nothing to do with Asian values.

Hardwork, discipline, a strong commitment to the community, thrift and moderation were Asian values which had in fact contributed to the emergence of the Asian tigers and dragons.

On the other hand the values which influenced the dumping by the manipulators were totally materialistic, inconsiderate of the problems of others and uncaring for the poor.

'It is not Asian values which failed us --it is the greed of a few which precipitated the crisis in Asian countries,' said Dr Mahathir.

-- BERNAMA

SJ AAM