

# PM: We will counter all attacks 38

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KUALA LUMPUR: Malaysia will surely think of more radical ways to counter attacks from the outside should there be attempts to undermine the country's measures to insulate the economy, Datuk Seri Dr Mahathir Mohamad said yesterday.

The Prime Minister said Malaysia had gone its own way when it found that advice by the International Monetary Fund (IMF) to raise interest rates and taxes would not work.

"So we decided to go in a different direction but I realise that they will try to undermine what we have done to revive our economy," he said in a question and answer session at the *National Congress on Economic Recovery: The Way Forward*.

Dr Mahathir was asked whether Malaysia had a "Plan B" to ward off attacks on the

capital control measures because it would undermine bodies like the IMF if this worked.

He believed that the outsiders were busy thinking about how to undermine Malaysia's efforts.

"So far they have not been able to. I am not sure that I have a Plan B, but we will think up something (if this happens)," he said.

Dr Mahathir pointed out that when Malaysia tried to deal with its problem of non-performing loans (NPLs) by setting up Danaharta Nasional Bhd to take over NPLs and Danamodal Nasional Bhd to recapitalise the financial institutions, this was thwarted.

"Obviously they knew that we would need money and almost immediately the (international) rating agencies went to town and downgraded us so that we could not borrow money.

"They said there is no conspiracy here but that they felt a sense of responsibility to

their lenders," he said.

Dr Mahathir said in countering such attacks, the main thing was to be unorthodox.

"I'm trained as a doctor. Sometimes I find gangrene growing, and I decide to chop it off.

"This may be a little bit harsh but the patient sometimes survives — not always.

"So, if they do anything to us, you can be sure that we will think about radical ways of countering that.

"We will not chop off our foot but we will chop off their foot. We will think of something," he added.

He also said the ringgit's fixed exchange rate to the US dollar would be maintained for a "very long, long time" so as to assure stability for businesses.

But he did not rule out a change in the rate if the difference between the ringgit and that of other Asean currencies were too wide.