

08 DEC 1998

Senate-Motion

DEWAN NEGARA DEBATES MOTION CALLING FOR MICHEL CAMDESSUS' RESIGNATION

KUALA LUMPUR, Dec 8 (Bernama) -- The Dewan Negara today accepted for debate a motion calling on International Monetary Fund (IMF) managing director Michel Camdessus to resign for failing to take suitable measures to tackle Asia's economic crisis.

The motion, moved by Senator Datuk Abdul Aziz Abdul Rahman, said Camdessus should quit because he had failed to draw up and implement a system to regulate world currency trading.

"It is a fact that the economic crisis that hit Asia in July 1997, which is spreading to other countries and has caused social and political cracks in the affected countries, was the result of currency speculations," he said when proposing the motion.

Although Prime Minister Datuk Seri Dr Mahathir Mohamad's call for a system to regulate world currency trading had been supported by some world leaders and economists, such regulations had yet to be formulated for implementation, he said.

IMF had not only failed to resolve Asia's financial crisis but had let it spread to Russia, Brazil and other countries, all because of speculative activities by currency traders like George Soros, he said.

He also said the IMF had deviated from its original course as it now tended to be a tool of powerful countries, especially the United States.

Abdul Aziz claimed that the IMF and US had interfered in the political affairs of other countries, and brought about the downfall of leaders in Indonesia, Thailand, South Korea and Japan.

"In fact the US also opposed Japan's move to provide a US\$100 billion fund to help Asia out of the economic crisis," he said.

He proposed that an Asian Monetary Fund be set up to help in Asia's economic recovery efforts.

Senator Datuk Ibrahim Ali said the IMF should be dissolved because instead of managing funds it was indulging in politics with a US-backed agenda.

Getting Camdessus to quit and be replaced by another person would not help improve IMF's functions if it remained under US control, he said.

Senator Kamalia Ibrahim said IMF's failure to revive the economies of the affected countries was something planned by the West, particularly the US which she said viewed the region as an economic threat.

Kamalia said even taxpayers in the US, the main contributor to the IMF, had begun to question IMF's ability in helping to overcome economic crises in the world.

She suggested that the IMF be restructured and brought back to the right track.

The IMF should also be freed from the control of the West, she said.

Senator Datuk Zainuddin Maidin said foreign powers were interfering in the region through the IMF out of fear for Asia's resurgence.

IMF prescriptions in Indonesia had failed to lift the country out of recession and instead had destroyed its social system, he said.

He said IMF pledged to provide aid of US\$45 billion to Indonesia but at the same time Chinese in Indonesia took US\$65 billion out of the country when riots broke out.

On the role of the media, he said the foreign media had never supported Malaysia's policies and had all along been critical of the New Economic Policy and Dr Mahathir's efforts to attract foreign investors to the

country.

The House will sit again tomorrow.

-- BERNAMA

RZS NM YBY