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Malaysia warns against uncontrolled currency trading

Syed Nadzri in Durban

MALAYSIA brought its campaign against uncontrolled currency trading to yet another platform through Foreign Minister Datuk Seri Abdullah Ahmad Badawi at the Non-Aligned Movement ministerial meeting on Monday.

Abdullah, who spoke on the issue at a roundtable discussion, cautioned the world that some form of regulation was necessary to prevent a more serious catastrophe.

He said the financial and economic crisis in East Asia had already begun to affect commodity exports in other parts of Asia, Africa and Latin America.

"Financial markets and currencies should not be subjected to unbridled manipulation and speculation.

"All governments should work together to forge a common understanding for a set of acceptable universal norms with regard to currency trading.

"We are all in this together, North and South," Abdullah said.

Discussions at the roundtable will form a basis for deliberations for NAM heads of government, who start their summit today.

In the absence of Prime Minister Datuk Seri Dr Mahathir Mohamad, Abdullah will represent Malaysia at the two-day summit.

Abdullah also touched on globalisation and South-South co-operation at the roundtable.

He said that Malaysia's experience showed that globalisation, which is supposed to come together with liberalisation and deregulation, was not without its pitfalls.

Therefore, he added, it was important that international dialogues be promoted to identify the full ramifications of globalisation on countries.

On South-South co-operation, Abdullah said developing countries should have more self-help programmes instead of relying totally on the developed nations for assistance.

In this regard, he added, a network of partnership was necessary and for intra-trade among members, the use of their respective currencies should be considered.

Abdullah also held bilateral meetings with his counterparts from Pakistan, Iraq, Mongolia and Ukraine on the sidelines of the NAM meeting on Monday.

Among common matters discussed was the need to work out a mechanism to use their own respective currencies in bilateral trade - a proposal which, he said, received positive response.

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