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Malaysia not asking others to emulate curbs: PM

PRIME Minister Datuk Seri Dr Mahathir Mohamad said Malaysia is not asking other countries to emulate its capital control measures, adding the country is merely implementing them to protect its own economy.

"We are not asking that we should serve as a model for everyone. What we do is for our own purpose, to protect our economy.

"What other people want to do is entirely their business but we think we are doing the right thing," he told newsmen, including foreign news agencies after visiting the Main Press Centre of the 16th Commonwealth Games at Mint Hotel in Kuala Lumpur yesterday.

Dr Mahathir was asked whether the capital control measures implemented by the Government to reduce the impact of speculative attacks on the Malaysian currency - ringgit - should serve as a model for other countries.

The UN Conference on Development and Trade (Unctad), in its annual report 1998 released worldwide last Wednesday, had described capital controls as a proven technique for dealing with volatile capital flows.

As such, according to Unctad, policymakers in developing countries should be allowed the flexibility to introduce these measures.

It had also said that capital controls "will remain an indispensable part of developing countries' armoury of measures for the purpose of protection against international financial instability".

Dr Mahathir said other countries can emulate Malaysia's capital control measures if they want to but they have to take into account that the situation in Malaysia is not the same as in other countries.

"If they want to follow, it is their business.

"But, I would like to say that the situation differ between different countries and trying to produce a fair copy of what somebody else does, is not a good way of managing things," he added.

(END)