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Ringgit-Support

VARIOUS GROUPS SUPPORT MEASURES TO STABILISE RINGGIT

KUALA LUMPUR, Sept 1 (Bernama) -- Various groups today voiced support for the measures announced by the government to stabilise the ringgit and curb speculative activities by currency traders.

They said although the measures announced by Prime Minister Datuk Seri Dr Mahathir Mohamad were drastic they were badly needed to revive the nation's economy.

The Federation of Malaysian Consumers Associations (Fomca) hoped the move to have a fixed exchange rate for the ringgit would have a positive effect on the economy.

"We hope for a positive effect especially in efforts to bring back the ringgit taken out of the country and prevent our money from being used by rouge speculators to reap profits," said Fomca president Prof. Mohd Hamdan Adnan.

He said the people must do their bit to ensure the measures were effective, including by placing all unproductive money "kept under the pillow" in the country's financial system so that there would be more money within the country for development purposes.

"People who are loyal to the country need not have any fear of the measures," he said.

Hamdan, however, stressed the need for effective monitoring by the government including on the direct impact of the measures on the people.

It must also see to it that a black market for currency does not come into existence as has happened in some other countries with fixed exchange rates.

Umno Youth, in its reaction to the measures, said a stable ringgit would benefit manufacturers, investors and "others involved in the real economy" as there would be no fear of suffering sharp losses due to currency swings.

"For the people, ringgit stability means consumer goods remaining at a reasonable level and not shooting up," said the movement's economic council chairman Dr Abd Rahim Md Ghouse.

In PULAU PINANG, Federation of Malaysian Manufacturers' (FMM) northern region chairman Datuk O.K. Lee said manufacturers fully supported the government's efforts to stabilise the ringgit as a stable currency facilitated business planning.

He said the speculation control steps announced today were part of the government's efforts to establish more transparency in the movement of the ringgit.

The president of the Pulau Pinang branch of the Indian Chamber of Commerce and Industry, Datuk D. Markend Joshi, said many people had been calling for such measures for some time.

He, however, said it was not too late to implement them now to revive the ringgit's value.

The Consumers Association of Penang (CAP) also backed the government's plan to fix the ringgit's exchange rate and restrict the international trade in ringgit.

CAP president S.M. Mohamed Idris said the measures announced today were bold even if they were somewhat unusual, and were needed to resolve the problems faced by the country due to the market manipulation by speculators.

He said while certain people might be unhappy because they would have

to bring back their money kept abroad, that was a small price to pay to help revive the country's economy.

-- BERNAMA

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