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World recognising need to end financial anarchy: PM

Kamarul Yunus

MALAYSIA's currency exchange rate controls implemented since September 1 will remain in place until the international community realises that there is a need to regulate currency trading, Prime Minister Datuk Seri Dr Mahathir Mohamed says.

"We expect the international community to realise that the kind of anarchy in the world's financial regime cannot be allowed for much longer," he said.

Once Malaysia feels it is no longer threatened by currency traders, the controls will be dropped, Dr Mahathir said in a 30-minute live interview with Lorraine Hahn of Cable News Network's BizAsia last night. Dr Mahathir, who is also First Finance Minister, was asked how long Malaysia intends to maintain the controls that have received mixed response from the international community.

On whether there is a timeframe, the Prime Minister said it depends on how fast decisions are made to regulate the currency markets.

"The international community does not seem to work very fast... I think it would take them at least three to four years to make any decision at all," he said.

On suggestions that the measures are merely to protect "rich Malaysians", he said the Government will continue to help Malaysian companies.

"We feel that big corporations do not belong to one or two persons. They belong to the nation. If a corporation fails, a lot of people will suffer."

There are already signs that the measures are showing positive results, for example the jump in the country's reserves by US\$4 billion (US\$1 = RM3.80).

"The stock market has also improved and the banks have now become less distressed as the non-performing loans are not as big as before... (and) sales of houses and vehicles have gone up. All these indicators show that the country's economy is improving," he said.

Dr Mahathir also dismissed suggestions that Malaysia is anti-foreign bank ownership. He said the Government has always allowed international ownership of banks, for example Standard Chartered, CitiBank and HongKong Bank.

"To say that Malaysia is anti-foreign banks is not quite right but we have to have some banks which are owned by Malaysians," he said.

The Prime Minister also expressed confidence that the country will realise its goal of becoming a developed nation by 2020 despite the present economic downturn.

"It (Vision 2020) is bound to be delayed a little bit. But then, we have expected a 7 per cent growth throughout 30 years. We have actually achieved more than 7 per cent in the first nine or 10 years or so.

"What I would like to see is Malaysia be a developed country by 2020. And in order to do that, we must put everything in place... all the right steps, the right policies must be in place so that the succeeding prime minister can carry on from there," he said.

Dr Mahathir added that he would like to step down as soon as possible but in view of the turn of events, especially following the dismissal of former deputy prime minister, Datuk Seri Anwar Ibrahim, on September 2, he now has the responsibility of making sure that his successor can carry on

when he retires.

On how he would like to be remembered, Dr Mahathir said he would like to see everything that has been planned for the nation materialise.

"Yes, those are the things that matter really. I am not really important. I am just passing through. I don't care much whether people remember me or not," he said.

On the Asia Pacific Economic Cooperation (Apec) summit due to start on Saturday, Dr Mahathir said he expects the currency crisis and its impact on the world economy to top the agenda.

"I am not thinking of concrete agreement but I am quite sure we will be discussing the (currency) issue very seriously," he said.

On Anwar, Dr Mahathir agreed that his former deputy deserves credit for some of Malaysia's past economic successes, since he was also in the Government.

"He (Anwar) did some good work. However, there were a number of times I don't agree with his views. For example, he wanted to apply the International Monetary Fund's strategies for Malaysia, which we allowed until they showed that it was going to damage the country's economy and he (Anwar) accepted that we should get away from the IMF."

Dr Mahathir also said fairness of the country's courts has never been in question, and Anwar can be assured of a fair trial.

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