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Koh: Unite against currency speculators

PENANG, Sat. - East Asian countries with badly hit economies should unite to act as the catalyst for a proposed world financial system.

Chief Minister Tan Sri Dr Koh Tsu Koon said the system, mooted by Prime Minister Datuk Seri Dr Mahathir Mohamad, was timely as the present volatile global financial market had become the number one enemy of the free trade concept.

"Since East Asian countries have been subjected to heavy speculation and manipulation by fund managers in currency trading, they should be the ones to initiate and effect the system," he said at the 9th world convention of the Foo clan at Cititel Hotel today.

"They and other countries, including governments and financial bodies, should join hands and take the lead to start discussions and negotiations to kick-start the system.

"Through strict guidelines and regulations to control currencies and currency trading, the system will stop excessive speculation and manipulation which have turned currency trading into a global casino by itself.

"Such a new world financial system will put countries on more equal and stronger economic ground without affecting their fundamental strengths."

On a possible resistance from Western countries to the system, Koh said Western governments and financial bodies should first ask themselves whether the volatile currency market had defeated the original purposes of currency trade.

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