

Opposition 'attacking out of spite'

Star 200 SEP 1999

By
SHAHANAAZ SHER HABIB

PETALING JAYA: The Opposition does not understand economic management and is against capital controls "just out of spite," Datuk Seri Dr Mahathir Mohamad said yesterday.

The Prime Minister said the Opposition did not have any idea on economic programme and their strategy was only to get people to hate the ruling Government and vote for the Opposition instead.

"I don't think they know (what they are saying). They are just bent on opposing anything the Government does. Therefore, they are just going against it (capital controls) out of spite.

"They have no ideas on economic programmes. If the people vote for the Opposition, they have no programmes and I think the country will go to the dogs.

"But the Opposition is just saying this (opposing controls) because they know they will not win (the general election) anyway," he told reporters after opening the Civil Service Golf Club.

The latest issue of *Hara-*

kah front-paged a promise from DAP, PAS, Parti Keadilan Nasional and Parti Rakyat Malaysia to abolish selective capital controls if they were voted into power.

Dr Mahathir believed the country's economy would grow even without foreign investments but added the controls imposed did not deter long term investors.

"I cannot fathom their (opposition's) thinking and they seem to always want to bow to the wishes of others and get foreign support and for that, they are willing to surrender this country even," he said.

Dr Mahathir pointed out that when Datuk Seri Anwar Ibrahim was Finance Minister, he followed the International Monetary Fund (IMF) advice to squeeze credit, hike up interest rates and shorten the length of non-performing loans which hurt the economy.

He believed the Opposition was now opposing capital controls because for them, "if the Government is doing something, it must be bad and they must do just the opposite."

"They want to follow the

IMF direction. If they do that, the economy will plunge if controls are lifted, the country will go down the drain."

Recently, even the IMF and World Bank appeared to have acknowledged that the controls had helped Malaysia in dealing with the financial crisis.

Second Finance Minister Datuk Mustapa Mohamad has been invited to be the lead speaker at the Commonwealth Finance meeting to explain Malaysia's case and call for reforms in the international financial architecture.

Dr Mahathir also said the man-in-street was already feeling the impact of the economic recovery.

Dr Mahathir also pointed out that workers felt more secure in their jobs when companies made a profit.

He said Maybank, Simebank and Arab-Malaysian Bank all made good profits recently, adding that "recovery is faster than expected which is good for the Government."

On global financial reforms, he said the first step was to ensure banks were prudent in their operations