

PM: Controls to be lifted only after threat removed

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NEW YORK: Malaysia will lift exchange controls only when the threat of attack by currency traders is removed, Datuk Seri Dr Mahathir Mohamad said here on Monday night.

Until that is done, the Prime Minister has one simple message: leave us alone.

"We are not doing any harm to anyone other than the currency manipulators. We only wish to the world to know there are many ways to skin a cat.

"The idea that there is only one way to tackle an economic problem is erroneous," he told leading American businessmen and experts at a dinner hosted by the Asia Society.

Dr Mahathir said even the "most virulent critics"

now admitted Malaysia had overcome its economic problems and was growing again.

"But now we are being advised to lift controls as we are stable.

"We are not about to do so, not unless the world curbs the currency traders and designs an international financial structure that is less liable to abuse by the avaricious

"I am trained as a medical doctor. I not only have to cure my patients but also to advise them not to expose themselves to a recurrence of the disease if possible.

"The currency traders, the highly leveraged funds and the possibility of their attacking us is still there. We will not lift our selec-

tive controls until the threat is removed."

Dr Mahathir recalled that when Malaysia imposed exchange controls, "we were vilified and condemned."

"Now the comments are kinder. Some (critics) even project better growth than we do."

The Prime Minister also criticised the International Monetary Fund for its inability to understand Malaysia's multiracial complexities and the Government's way of easing racial tension through its programme of affirmative action.

He said the IMF's "usual uncaring way" was not an option for Malaysia and "we had to think of something home-grown."