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Mahathir-Controls

COUNTRY WILL BE WASTED IF CONTROLS LIFTED, SAYS DR MAHATHIR

KUALA LUMPUR, Sept 19 (Bernama) -- Datuk Seri Dr Mahathir Mohamad said today that the country will go down the drain if its selective capital controls are lifted.

The prime minister said the opposition parties' allegation that the capital controls had failed was baseless because the controls, which were introduced in September last year, had made the country's economy grow.

"The opposition would just oppose whatever the government does. Therefore, they will go against it out of spite, not because they understand anything about economic management but because if the government is doing something it must be bad and they must do the opposite," he told reporters after opening the Kelab Golf Perkhidmatan Awam and civil service family day here.

Dr Mahathir said this when commenting on the opposition parties' pledge to lift the capital controls if they came to power. The so-called alternative front comprising PAS, DAP, Parti Keadilan Nasional and PRM made the proposal because they claimed the measure had failed to attract foreign investors.

Dr Mahathir said without foreign investors the country's economy had grown and "can't they (opposition) see it?"

Dr Mahathir also said the people on the ground were beginning to feel the benefits of the economic recovery due to the capital controls.

"Although people producing oil palm do not feel anything as the price of the commodity rises, others feel relieved and some go to the Kuala Lumpur City Centre (KLCC) in droves and were seen shopping happily," he said.

He said car and motorcycle buyers now knew they could spend because they had the money to do so.

The recent announcements about two local banks making profits of RM1 billion each and another chalking up a RM250 million profit in six months proved that the economy had recovered faster than expected, he said.

"When a company makes profit, it means workers do not feel threatened, but if a company makes losses, workers feel they will be sacrificed," he said.

Dr Mahathir said the opposition had no idea or strategy to develop the country.

"Their strategy is hate the government and vote for me (opposition). When you vote for them, what can they do as they don't have any programmes?" he said.

Asked if it was odd for the opposition to discredit the government as the World Bank and the International Monetary Fund have commended Malaysia's economic recovery measures, Dr Mahathir said: "I don't know what they (opposition) are thinking."

Dr Mahathir also said he did not think the opposition knew what they were going to do when they spoke about lifting the controls.

He said when Anwar was the finance minister he wanted to follow the IMF's directive and because of that the country's economy went down.

"We have 31 percent of the government's expenditure and when you cut this, there is no money at all for development. When there is no money for development, everything will stop, no contract supply material and the economy shrunk," he said.

He said Anwar did not know anything about economic or financial

matters, and did not know how to deal with the crisis.

"Ordinary administration development he can handle when there is no crisis. "He always likes to accede to people to get the support of foreigners; he is willing to surrender this country.

"The main thing is to get praise and support from abroad so that foreign leaders will say he is the best finance minister. Our economy will be destroyed because we have too good a finance minister," he said.

Dr Mahathir also said one way the world could restructure the financial sector was by not allowing banks to leverage too much.

He also said the rich countries must be brave enough to talk about currency traders.

"I find that whereas the rich countries are willing to talk about restructuring and new financial architecture, they are afraid to mention currency traders as if they have a powerful hold over them," he added.

-- BERNAMA

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