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MAHATHIR-JAPAN

DR MAHATHIR URGES JAPAN TO SELL ITS US BONDS

KUALA LUMPUR, March 1 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad calls on Japan to dispose of its holdings of U.S. Treasury bonds to oppose the gigantic power of the United States.

This call was contained in Dr Mahathir's second essay printed by the Japanese daily Mainichi Newspapers today. A copy of the essay was released here.

Dr Mahathir said in a bipolar world, capitalist countries had to be friendly or else the developing nations would defect to the communist side.

"Now we cannot defect to the other side anymore. This will be so unless Japan and the European Union countries decide to oppose the gigantic power of the United States.

"Japan can help if it disposes of the dollar bonds it holds," he said adding that alternatively Japan can make some money available to us.

For the developing world, the 21st century looks gloomy unless the Group of 15 (G-15) developing countries could influence the decisions of some countries of the north, such as those in Europe, he said.

There is a deliberate attempt by the north to dominate the world economy said Dr Mahathir stressing that it was done by attacking the stock market, causing the shares to fall so that the companies could be bought at cheap prices.

"In the end, they will control our economy and our people. I am so worried that we will lose our independence when that happens," he said.

Japan, as the world's second-largest economy, should work together with developing nations in order to prevent these from happening, Dr Mahathir said.

To prevent this, Mahathir said, he had written to the leaders of the Group of Seven (G7) industrialised nations asking that developing countries be consulted in the planning of a new world financial architecture.

"As you know, the North has decided that only the G-7 and institutions like the IMF, the World Bank, BIS (Bank for International Settlements) and others under their control will design the new architecture. We have no say. The solution is going to help them, not us," Mahathir said.

He said Japan, Germany, France and even Canada believed that some form of currency control was needed.

The US, also member of the G-7 was against the idea of regulating currency trading, that Malaysia had blamed for the regional currency turmoil.

Currency trading is done almost exclusively by US firms and the country benefits from such activities. "So why should they regulate?" he added.--BERNAMA

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