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PM calls for transparency from G7 countries

PRIME Minister Datuk Seri Dr Mahathir Mohamad said yesterday that the Group of Seven countries must be transparent in whatever plans it has in halting currency speculation activities.

He said although the rich nations had finally agreed that financial speculation was to be blamed for the recent global economic turmoil, there was a big gap between "accepting and doing something about it.

"I don't know whether they are going to do the right thing ... whether they are going to do what they did to us, that is to say that we must be transparent, translucent and so on.

"But at the same time, they are totally opaque and you cannot see what they are doing or who they are.

"They operate from offshore financial centres and as far as we know, they don't pay any tax."

He said this after presenting certificates of competence in construction to 17 Orang Asli youths at Bukit Lanjan.

The G7 countries plus Russia had at their meeting in Cologne yesterday approved a plan to halt financial speculation which had been blamed for the turmoil.

Dr Mahathir said when Malaysia came under the attack of speculators, the country got the blame for being weak in its administration and management.

"Now I hope they will stop these kind of people and the world will be a safer and richer place if they do so."

Dr Mahathir said he was glad that the grouping was now accepting Malaysia's proposal to regulate financial markets.

"When I proposed this in 1997, they said I was mad, that I don't understand finance and herd trade instinct.

"But, right now, it seems even others are equally mad," he said.

On the decision of the G7 agreeing to cancel about US\$70 billion (RM266 billion) of loans to help 36 countries claw their way out of grinding poverty, Dr Mahathir said Malaysia was not included.

"It does not involve Malaysia at all. We don't borrow money from them, we don't receive aid from them, what is ours is generated in this country. We are not asking even to borrow from them."

Dr Mahathir said the loans involved very poor countries which now found themselves unable to pay off the debts.

"In some countries, 80 per cent of their national revenues go towards paying the debts ... so, by borrowing money, they have actually become poorer."

Dr Mahathir felt the rich nations should have written the debts off long ago.

However, they waited until these countries were almost half dead before doing so.

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