

15/04/2000

Dr M: Success proves critics not always right

Hardev Kaur in Havana, Cuba

MALAYSIA's success in dealing with the financial crisis proves that its critics are not always right and the country is not always wrong.

Thus, in the formulation of the financial system it is wise to listen to the views of all countries, said Prime Minister Datuk Seri Dr Mahathir Mohamad.

At a Press conference attended by Cuban and Malaysian journalists here, he said, countries of the Group of 77 might be poor, but it did not mean that they cannot contribute ideas for the development of the new financial architecture.

In reply to a question on Malaysia's "unorthodox" policies, Dr Mahathir said Malaysia was severely criticised and was even considered "mad".

Today, he said, even the critics have revised their previous opinions. An increasing number of former critics were now singing praises of Malaysia. Even the multilateral institutions such as the International Monetary Fund now acknowledged the benefits of Malaysia's policies.

The World Bank also acknowledged that Malaysia's recovery had taken place at a more rapid pace.

The Bank in its Global Development Finance Report points out that the selective control measures imposed in September, 1998, lowered interest rates, brought interest rate and exchange rate stability, and ensured greater policy autonomy for Malaysia - something that Thailand, South Korea and Indonesia do not have.

A recent article in British publication The Spectator entitled "East Beats West" acknowledges the benefits of Malaysia's policies vis-a-vis those prescribed by the IMF. (see accompanying story on page 22.)

On globalisation, Dr Mahathir said the developed countries have started to realise that globalisation was not readily acceptable even by their own people.

After the demonstrations during the World Trade Organisation meeting in Seattle late last year, there were signs that the developed countries agreed that they need to relook at globalisation.

"So what is necessary is for us to keep on applying pressure for a re-interpretation of globalisation so that it will not affect us badly," Dr Mahathir said.

Asked whether there is any future for speculators like George Soros, whom the Prime Minister had criticised at the beginning of the crisis, Dr Mahathir said after having attacked the economies of East Asia and forcing down the value of the shares, they are now coming to buy "cheap companies and cheap banks".

"Soros is very active in a neighbouring country, next door to Malaysia where he has bought banks and shares in various companies."

Dr Mahathir did not name the country but Soros and his companies are active in Indonesia and South Korea.

"Profits he has made from currency trading has enabled him to make big, big investments which will enable him to live a comfortable life until he dies. In the meanwhile many people in some of the countries that he has attacked have already died because of rioting and murder.

On the push in information technology sector, Dr Mahathir said with the country coming out of the crisis, it was now much better off financially and the IT plan would go ahead.

Apart from Singapore, Malaysia was perhaps the most computerised country

in Southeast Asia.

"So we think we can achieve the objective," he said.

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