

'Teach currency trading'

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Dr M: Such knowledge can help avoid catastrophes

PRIME Minister Datuk Seri Dr Mahathir Mohamad said yesterday universities should teach the way currency is traded and manipulated, and the roles and power of the market in the new economy to ensure "catastrophes" can be avoided.

He said the recent currency turmoil has been "a very costly education."

"If we are going to be able to avoid such catastrophes, our people must learn all about free trade, globalisation and the international financial and trade regimes.

"Perhaps I am painting too frightening a picture of the fate of developing countries in a free trading globalised world. But then Malaysia went through a harrowing experience brought about by currency traders.

"We do not want that fate to befall us again. We managed to recover the last time but we are not sure we can recover again if another economic turmoil assails us."

Dr Mahathir was speaking at the opening of the 36th Southeast Asian Ministers of Education

Council Conference (Seameo) at the Pacific Sutera Hotel in Kota Kinabalu yesterday.

Dr Mahathir cautioned that "worse things seem to be on the horizon."

He said in anticipation of the opening up of markets, the huge banks and corporations of the rich were merging and acquiring each other to become globally dominant.

"These entities are very many times bigger than most developing countries in terms of capital and resources. The puny local banks and businesses would stand no chance of competing with them.

The Prime Minister said a world dominated by a few huge banks and corporations would not likely be a free world.

"Businesses are only concerned with profits. They are not run by directors elected by the people as a whole.

"They would not be concerned about the social problems and catastrophes that they cause. The currency traders have already said that the impact of their trading is of no concern to them.

"They see only figures on the screen, not people."

Saying that super-giant corporations were beholden to no one, Dr Mahathir added that they were backed by giant media corporations who have a stake in the kind of global operations they enjoyed.

"Any outcry against their exploitation would be silenced by the world media.

"The disasters that the corporations and banks and free trade cause would be glossed over or laid at the feet of powerless Governments. We have already seen this happen when currency trading destroyed countries."

Touching on the globalisation of education, the Prime Minister said the advances made by information technology have made the location of learning centres less relevant.

"Students can now interact in real time with teachers half way across the world. Recorded knowledge can be accessed freely from anywhere.

"It is said that anybody can learn how to make a nuclear bomb by accessing the writings and records

available through the Internet."

This led the Prime Minister to ask a question: Could it be, therefore, that a lot of knowledge is a dangerous thing?

"Maybe there will not be too many to attempt making a nuclear bomb. But what about the more simple bombs which can make anarchists more effective than they are now?"

"Will we be seeing more and more violence as more lethal instruments are produced by the less responsible but knowledgeable people?"

While stressing that the rejection of knowledge would be at "our own peril," Dr Mahathir, nevertheless urged for a new code of ethics and morality to be devised.

"Maybe the ethics and morality should be globalised also, and taught as a compulsory subject to everyone. Unless we are taught how to handle knowledge well, knowledge will spell disaster for us."

On the challenges facing Seameo, Dr Mahathir said member states have to narrow the economic gap among countries, and to under-

stand the forces of globalisation in order to handle it.

"I am not against globalisation but the interpretation given to it at the moment will only benefit the rich with minimal or no benefit to the poor. As for free trade, it must be remembered that no country can sustain an adverse trade balance for long.

"When the currency traders attacked the East Asian countries, they claimed it was part of free trade. It may be so but the result of free currency trading was to destroy all the economic tigers of East Asia."

He said billions of dollars built up over decades were lost, millions thrown out of jobs, demonstrations resulting in violence and the overthrow of Governments.

"The consequent turmoil cannot be easily stopped and the borrowings to resuscitate the economy can place the country at the mercy of the lenders. If such massive catastrophes can occur to economic tigers, can we accept free trade as a blessing which we must not reject ever?"