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Dr M: Toughest time I had was during the 1997 financial crisis

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PUTRAJAYA, Wed. - Datuk Seri Dr Mahathir Mohamad said tonight the toughest and most challenging period for him as Prime Minister was during the 1997 financial crisis when the economy came under siege from currency traders.

"In my 20 years as Prime Minister, that was the worst experience I ever had. My head was spinning thinking of ways to pull the country out of this disaster," he said.

Sharing his thoughts with members of the Backbenchers Club which hosted a dinner to commemorate his 20 years in office, Dr Mahathir provided some insights into steps taken to save the economy, as well as the tribulations and failures in combating currency traders trying to impoverish the country.

Speaking off-the-cuff for over an hour, the Prime Minister said he realised that to counter the traders, the mechanics of the trade had to be understood first.

"I was in Argentina when I remembered Nor Mohamed (Tan Sri Nor Mohamed Yakcop, now Economic Adviser to the Prime Minister) who used to be in charge of Bank Negara's currency trading."

Dr Mahathir said Nor Mohamed was summoned to Argentina to help him devise strategies to beat the currency traders.

"For example, we realised that the ringgit traded never left the country, they still remained in our banks. The only thing happening was the change in ownership."

Hence, the banks which were under the Government's control were directed to stop this from continuing. Trading diminished after this was enforced.

Dr Mahathir said not many people understood why he was so furious with the currency traders.

"I saw with my own eyes the country's wealth disappearing over a short span ... they made us poorer by US\$250 billion (RM950 billion) just to make some US\$5 billion. It was really cruel."

Dr Mahathir said when he met financier George Soros in New York, he took the opportunity to "give him a piece of my mind".

"One should realise that people like Soros have no experience managing or running a country. The only thing he knows is the computer screen and numbers.

"Unlike us, we deal and manage with people, 23 million of them. He does not have the experience administering a country with a multi-ethnic society and the various problems that come with it."

Dr Mahathir also spoke of how a neighbouring country tried to sabotage Malaysia which was in dire straits then.

"We needed funds and it was willing to lend us but with interest. We carried out an audit of funds in the country to determine how much money we actually had. We found out that we had enough to help us through.

"I could say that it was really satisfying when I informed the leader of that country at our next meeting that their help was no longer needed. You should see the shock on his face."

Lessons learnt from managing the crisis, said Dr Mahathir, showed how important it was for leaders to "sit down and really attend to problems".

Dr Mahathir said there were ups and downs as Prime Minister.

"Sometimes at night, we are confronted with problems which can be worrying. But I think the best way to deal with this is to think positive, that the problems can be resolved tomorrow or the day after.

"This should be the way because if we continue worrying about the problems, they will still be there."

Dr Mahathir said his greatest setback was the failure to change the Malay mindset and its lackadaisical attitude.

For example, he said the Malays, who were capable of learning, refused to learn or emulate positive things that could better their lives.

"I have tried many things but failed. I believe a race will succeed based on its culture and values. If they subscribe to negative values that will not help them progress, they will not progress."

On qualities of leaders, he said among them were to possess ideas and the ability to make decisions.

"Decisions have to be made and we have to be responsible for them. We may make a wrong decision but it is better this way rather than not making any. Also, we should not run away after making a decision."

Dr Mahathir said he was fortunate because as a doctor, the profession taught him the importance of arriving at a decision.

"If doctors are afraid to make decisions, patients might die."

He also gave some advice to those aspiring to become leaders or even the Prime Minister.

"You should not rise to the top by stepping on others or pulling them down," he said, adding that in politics, there were no permanent friends or enemies.

He added that a Prime Minister should not be someone merely administering the country but should bring changes for the betterment of society.