

Economic advisor Anwar: Dr M spews more venom
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More than a decade has passed since Anwar Ibrahim was sacked but it appears that time has stood still for Dr Mahathir Mohamad at least in terms of his dislike for his former deputy.

Yesterday, Mahathir ridiculed Anwar's appointment as Selangor economic advisor, telling reporters at the sidelines of an event that the latter would bankrupt the Pakatan Rakyat-ruled state.

Not contented with this, Mahathir continued his vitriolic attack on his blog.

With his trademark sarcasm, the former premier commenced his latest posting by congratulating the Selangor government for securing the services of Anwar for a mere RM1 per year salary.

However, he also wondered if the state government was aware of their advisor's far from impressive performance as finance minister during the 1997 financial crisis.

"He was obsessed with the International Monetary Fund and World Bank to the point that without a shred of doubt, he accepted the advice of Michael Camdessus (IMF managing director) and James Wolfensohn (his good friend and world bank president) for Malaysia to reduce government expenditure to achieve surplus.

"(They also suggested) that bank interest rates be hiked up so that businessmen lack the modal and cannot do business, to shorten the repayment rate for bank loans from six months to three to turn those who owe money into bankrupts and let the banks be burdened with non-performing loans, so that banks cannot function and would require financial injection," he said.

"So many other actions were proposed to weaken and worsen the country's economy so that it would be forced to seek the help of IMF and the World Bank on the condition that Malaysia's economy be surrendered to these institutions," he added.

He does understand economics

Mahathir said if Malaysia's economy was handed over to the IMF and World Bank, it would have marked the end of the New Economic Policy (NEP).

"Anwar's action was known in the papers as practicing IMF policies without IMF - that is without any financial aid from IMF.

"With this policy introduced by Anwar, the economy worsened and the ringgit's value depreciated further," he added.

Mahathir, who had appointed the PKR leader as finance minister during his tenure, said that Anwar does not understand financial management and national economies.

In view of this, he said Anwar's powers over financial and economic matters had to be transferred to the National Economic Action Council (NEAC).

"NEAC invented currency control and prevented Clob (Central Limit Order Book - an illegal share market formed in Singapore) so that currency trading of the ringgit by currency speculators and the selling of Malaysian shares in Clob ended.

"It was the NEAC that managed to recover the economy and finance of the nation," he said.

"Maybe the actions of the Bank Negara governor and his deputy (at that time) who attempted to derail the currency control had nothing to do with Anwar. But the fact is, both these officers were under the Finance Ministry's jurisdiction," he added.

Ending his posting on a sarcastic note, Mahathir said he prays that Selangor would not be 'shortchanged' by its economic advisor.

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