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# End oil speculation, says Dr M

Petronas adviser calls on Asean to take united stand to stop price escalation

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**KUALA LUMPUR:** Asean countries should make a united stand at a world forum and demand an end to oil speculation to stop rising oil prices, says former Prime Minister Tun Dr Mahathir Mohamad.

"This (skyrocketing fuel prices) whole thing is due to speculation and not because there is a shortage of oil.

"If there is shortage, then an increasing price will result in increased production. But now, the price keeps increasing but the production remains the same. It is manipulation.

"A few people are making a lot of

money. Oil companies are making tons of money. Oil producers are also making lots of money and the people who have this money have to keep it somewhere. If they keep it in any country and buy bonds there, then that country makes money," he said in an interview on Monday.

Dr Mahathir said it was important to make a stand, just like during the currency crisis previously, but a stronger, and more united one this time.

"For example, we took a stand and condemned currency trading but of course, in the end, we had to devise our own way of overcoming it.

"The world has to tackle this (oil price) problem but it requires a lot of

»The Govt must know how to manage the economy during difficult times«

TUN DR MAHATHIR MOHAMAD

people. Asean countries should demand that this should not go on," he added.

Dr Mahathir said the Government

and people had a role to play in dealing with the current situation.

"The Government must know how to manage the economy during difficult times, and not just in cordial, simpler times.

"They have to sit down, study, get all the details and try to analyse them, and get others who have the expertise to tell you. Only then can you can find a formula to resolve the problem," he said.

He said one had to face the reality of increasing oil prices, and find ways to reduce consumption.

"During my time, the price of oil was US\$30 (RM98) per barrel. Today, it is US\$143 per barrel. Obviously, you cannot insist on paying the same price.

"It has to be higher but how much higher and at what rate, that is a different matter."

He said there were many ways to reduce consumption but the Government had to find ways to help the people.

"Every individual has a way of managing himself and the household but the Government has a role to play. It cannot say this is your business and you have to live with it, no. The Government must find ways," he added.

Dr Mahathir, who is also Petronas adviser, said the national oil company needed to source for oil investments overseas to make preparations before the oil supply ran out.