

FROM ANNE KOH

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MANILA, MAY 15 (BERNAMA) — TRADE UNIONS OF DEVELOPED COUNTRIES WERE TAKEN TO TASK TODAY BY DATO' SERI DR. MAHATHIR MOHAMED WHO ACCUSED THEM OF UNDERMINING THE EFFORTS OF THE GOVERNMENTS OF DEVELOPING COUNTRIES TO CREATE A CLIMATE CONDUCTIVE TO JOB CREATION FOR THEIR PEOPLE.

ADDRESSING THE FIFTH SESSION OF THE UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT (UNCTAD) HERE THIS MORNING, THE DEPUTY PRIME MINISTER AND MINISTER OF TRADE AND INDUSTRY SAID THESE UNIONS WERE NOT ONLY FORCING THEIR GOVERNMENTS TO RESTRICT IMPORTS FROM THE POOR COUNTRIES BUT ALSO SUBVERTING THE WORKERS IN POOR COUNTRIES IN ORDER TO REDUCE THEIR PRODUCTIVITY.

+WHILE DANGLING THE CARROT OF HIGHER INCOMES, THEY INSTRUCT THE WORKERS IN THE ART OF HOLDING WHOLE NATIONS TO RANSOM,+ DATO' SERI DR. MAHATHIR TOLD DELEGATES OF 159 NATIONS ATTENDING THE CONFERENCE.

HE DESCRIBED THE TRADE UNIONS OF THE DEVELOPED COUNTRIES AS +NEO-IMPERIALISTS+ WHOSE WORKERS' SOLIDARITY WAS A MERE MASK TO HIDE THEIR SELFISH DESIRE TO RE-COLONISE THE ECONOMIES OF DEVELOPING COUNTRIES.

HE SAID IT WAS TIME THAT UNCTAD IN INVESTIGATING THE OTHER CAUSES WHICH PREVENT EQUITABLE TRADE AND DEVELOPMENT OF THE POOR NATIONS, LOOK AT THE ROLE OF INTERNATIONAL LABOUR FEDERATIONS.

THE DEPUTY PRIME MINISTER SAID TRADE UNIONS OF DEVELOPED COUNTRIES HAD ORGANISED AND GAINED CONTROL OF INTERNATIONAL LABOUR FEDERATIONS SO THAT THEY COULD EXPORT LABOUR UNREST AND FORCE COSTS TO GO UP IN DEVELOPING COUNTRIES. — BERNAMA 1516/YF

UNCTAD-MAHATHIR 2 MANILA

DATO' SERI DR. MAHATHIR SAID: "IN THE PURSUIT OF THEIR OBJECTIVES, THEY SHOW COMPLETE DISREGARD FOR THE LAW. FACED WITH THEIR DESTRUCTIVE POWER, THE DEVELOPING COUNTRIES FIND THEMSELVES QUITE HELPLESS.

"AS FOR THE GOVERNMENTS OF THE DEVELOPED COUNTRIES, SOME CLAIM THEY ARE IN NO POSITION TO DO ANYTHING AS THE UNIONS ARE ABOVE THE LAW.

"IT SHOULD BE REMEMBERED THAT WHEN THE DEVELOPED COUNTRIES WERE AT THE STAGE OF INDUSTRIALISATION THAT THE DEVELOPING COUNTRIES ARE NOW, THEIR WORKERS WERE DOCILE AND TOTALLY COWED.

"BUT FOR THE DEVELOPING COUNTRIES, INDUSTRIAL UNREST IS ARTIFICIALLY AND DELIBERATELY STIMULATED IN ORDER THAT INDUSTRIALISATION WOULD BE SLOWED."

DATO' SERI DR. MAHATHIR SAID MALAYSIA IS ABSOLUTELY IN FAVOUR OF TRADE UNIONS TO PROTECT THE RIGHTS OF WORKERS BUT TRADE UNIONS IN DEVELOPING COUNTRIES WERE NOT MEANT TO BE "MANIPULATED" BY UNIONS IN DEVELOPED COUNTRIES, FOR THE PURPOSE OF ECONOMIC SUBVERSION.

HE ALSO DEPLORED TRADE UNIONS' LABELLING OF TAX INCENTIVES TO STIMULATE INVESTMENTS IN DEVELOPING COUNTRIES AS SUBSIDY THUS QUALIFYING FOR RESTRICTION ON IMPORTS.

HE SAID TO PENALISE SUBSIDIES IN THE FORM OF TAX INCENTIVES IS NOT ONLY TO PREVENT THE INDUSTRIALISATION OF DEVELOPING COUNTRIES BUT ALSO TO INFLATE COST WORLD-WIDE AND NEITHER THE DEVELOPING NOR THE DEVELOPED WORLD WILL GAIN IN SUCH A DEVELOPMENT.

HE POINTED OUT THAT DEVELOPED COUNTRIES WERE ALSO SUBSIDISING THE INDUSTRIES WHICH EXPORT MANUFACTURED GOODS TO DEVELOPING COUNTRIES.

SOME DEVELOPED COUNTRIES WERE SUBSIDISING AS MUCH AS 20 PER CENT OF THE COST OF SHIPBUILDING, HE SAID, WHILE OTHERS WERE SUBSIDISING THROUGH "OVER GENEROUS" SOCIAL BENEFITS.

THERE WERE OTHERS WHO SELL OIL AND ENERGY TO INDUSTRIES AT BELOW MARKET PRICES AND SOME EVEN SUBSIDISE THE RAISING OF CHICKEN.

TURNING TO PROTECTIONISM, DATO' SERI DR. MAHATHIR SAID IT WAS NOW EXTENDING INTO AREAS INCLUDING AVIATION AND MARITIME SERVICES.

ON AVIATION, HE SAID NOW THAT SOME DEVELOPING COUNTRIES HAD MASTERED THE RULES, THE DEVELOPED COUNTRIES WERE ONCE AGAIN GANGING UP AND DEVISING NEWER AND MORE RESTRICTIVE RULES.

THE IATA, HE ADDED, AS A VEHICLE OF CONSULTATION, IS BEING RELEGATED TO THE BACKGROUND AS THE MAJOR AIRLINES Huddle ONCE AGAIN OVER THE DIVISION OF THE SPOILS.

— BERNAMA MORE 1326/SZ

UNCTAD-MAHATHIR 3 MANILA 2'2'2'

HE SAID ALTHOUGH THE AIRLINES OF POOR COUNTRIES COULD IMPOSE LOWER FARES, THEY WERE PREVENTED FROM DOING SO BY THE IATA BUT NOW THAT IT SUITS THE DEVELOPED COUNTRIES, THEY HAVE FORGOTTEN ABOUT INTERNATIONAL AGREEMENTS AND ARE FIXING FARES INDEPENDENTLY. MALAYSIA DEPLORES THIS ATTEMPT TO EXCLUDE DEVELOPING COUNTRIES FROM THE AIRLINE INDUSTRY. +

IN MARITIME TRANSPORT, THE DEPUTY PRIME MINISTER SAID SHIPPING CONFERENCES ORGANISED BY SHIPPING LINES OF THE SO-CALLED MARITIME NATIONS MONOPOLISE PRACTICALLY ALL THE IMPORTANT ROUTES.

SUCH CLOSE-SHOP PRACTICES, SAID DATO' SERI DR. MAHATHIR, HAVE FORCED THE SHIPPING LINES OF DEVELOPING COUNTRIES TO JOIN THEM OR PERISH.

IN THE MEANTIME, THE RATES FOR CARGOES AND DISCRIMINATION AGAINST CERTAIN GOODS AND PRODUCE GAVE CUT INTO THE LEGITIMATE EARNINGS OF THE PRODUCER COUNTRIES.

ON THE COMMON FUND, THE DEPUTY PRIME MINISTER ANNOUNCED A CONTRIBUTION FROM THE MALAYSIAN GOVERNMENT OF US\$1 MILLION TO THE FUND WITH AN ADDITIONAL US\$1 MILLION TO THE +SECOND WINDOW+ BRINGING TOTAL CONTRIBUTION OF MALAYSIA TO THE SECOND WINDOW OF US\$1,467,000. — BERNAMA MORE 1328/YF

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UNCTAD-MAHATHIR 4 MANILA

MALAYSIA'S PLEDGE REPRESENTS THE FIRST FROM AMONG THE DEVELOPING COUNTRIES TO QUANTIFY THE CONTRIBUTION TO THE SECOND WINDOW. THE PHILIPPINES IS EXPECTED TO ANNOUNCE ITS CONTRIBUTION SOMETIME THIS WEEK.

HE ALSO SAID MALAYSIA, AS THE WORLD'S BIGGEST NATURAL RUBBER PRODUCER, WELCOMED THE BREAKTHROUGH ACHIEVED IN THE NEGOTIATIONS ON AN INTERNATIONAL RUBBER PRICE STABILISATION AGREEMENT.

HE HOPED HOWEVER THAT NEGOTIATIONS ON OTHER COMMODITIES WOULD BEGIN SOON.

HE SAID THE PROBLEMS ASSOCIATED WITH COMMODITY TRADE ARE NUMEROUS AND COMPLEX. STABLE PRICES AND PROPERLY REGULATED MARKETS ALONE WILL NOT GIVE THE PRODUCER COUNTRIES THE MAXIMUM RETURN ON THEIR PRODUCTION.

FAR TOO MUCH OF THE ASSOCIATED ACTIVITIES CONCERNED WITH MARKETING, TRANSPORT, DISTRIBUTION, PROCESSING AND OTHER INVISIBLES BENEFIT THE DEVELOPED CONSUMER NATIONS, AND THE NETT RESULT IS ONLY A MARGINAL RETURN FOR THE PRODUCERS OF THE COMMODITIES.

DATO' SARI DR. MAHATHIR HOPED UNCTAD WOULD TAKE THESE MATTERS UP IMMEDIATELY FOR THEY ARE INTEGRAL PARTS OF THE WHOLE CONCEPT OF FAIR AND EQUITABLE TRADE BETWEEN NATIONS.

ON THE MULTILATERAL TRADE NEGOTIATIONS (MTN), THE DEPUTY PRIME MINISTER SAID THEY HAVE FAILED TO BRING RELIEF TO THE DEVELOPING COUNTRIES HENCE RENDERING THE TOKYO DECLARATION ALMOST MEANINGLESS.

IT WAS DISTRESSING TO FIND COUNTRIES WHICH EXPRESS REGRET THAT THOUGH THEY ARE WILLING TO ALLOW PREFERENTIAL IMPORTS, THEIR OWN LAWS DO NOT PERMIT THIS UNTIL RECIPROCAL ARRANGEMENTS ARE PROVIDED. — BERNAMA MORE 1330/SZ
UNCTAD-MAHATHIR 5 MANILA

"THUS UNLESS THE DEVELOPING COUNTRIES ARE WILLING TO GIVE PREFERENCE TO MANUFACTURED IMPORTS FROM THEM ON THE SAME TERMS, THEY CANNOT GET FREE ACCESS FOR THEIR PRODUCTS IN THAT COUNTRY," HE ADDED.

TURNING TO MONETARY SYSTEMS AND FINANCE, THE DEPUTY PRIME MINISTER URGED THE INTERNATIONAL MONETARY FUND (IMF) TO FURTHER EXAMINE THE CHARACTERISTICS AND USES OF THE SDR SO AS TO ENHANCE ITS ATTRACTIVENESS.

ANOTHER NEED WAS FOR THE IMF TO PLAY A MORE ACTIVE ROLE IN THE SURVEILLANCE OF EXCHANGE RATES OF MEMBERS ESPECIALLY THE LARGER ONES SO THAT EARLY ACTION COULD BE TAKEN TO PREVENT THE DESTABILISING EFFECTS OF EXCHANGE RATE FLUCTUATIONS.

HE SAID THE DEVELOPING COUNTRIES ALSO WANT TO SEE A FURTHER LIBERALISATION OF THE COMPENSATORY FINANCING FACILITY THROUGH INCREASING THE LIMIT ON OUTSTANDING DRAWING BY AT LEAST 100 PER CENT OF QUOTAS.

THE IMF SHOULD ALSO MODIFY ON THE USE OF ITS RESOURCES
 SO THAT MEMBERS WOULD BE ABLE TO OBTAIN A HIGHER VOLUME OF
 BALANCE OF PAYMENTS FINANCING AT LESS COST TO THEIR ECONOMIES.
 ON THE LOW LEVELS OF OFFICIAL DEVELOPMENT ASSISTANCE (ODA)
 BY THE INDUSTRIAL COUNTRIES, DATO' SERI DR. MAHATHIR
 HOPED THEY COULD INCREASE THEIR AID TO THE AGREED LEVELS OF
 LPMU PER CENT OF GNP. — BERNAMA MORE 1335/57

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DATO' SERI DR. MAHATHIR DWELT AT GREAT LENGTH ON THE PROBLEM
 OF POVERTY SAYING THAT 70 PER CENT OF THE WORLD'S POOR ARE IN
 SOME 115 DEVELOPING COUNTRIES.

HE SAID OIL PRODUCING COUNTRIES WERE MADE TO SUFFER PRIOR
 TO 1973-74 WHEN POSTED PRICE WAS UNRELATED TO THE TRUE VALUE OF
 OIL.

NOW, DEVELOPED COUNTRIES, INSTEAD OF LIVING WITH LESS OIL
 AND THE OPEC PETRODOLLARS, WERE REDUCING PRODUCTIVITY AND
 RESTRICTING TRADE.

*WHEN OIL WAS CHEAP, THE POOR WERE POOR AND WHEN OIL IS DEAR,
 THE POOR ARE POORER,* HE SAID.

HE WARNED THAT POVERTY IS GOING TO REMAIN AN UNRESOLVED PROBLEM
 WHICH WILL BREED POLITICAL INSTABILITY, CIVIL DISTURBANCES,
 COUPS AND SOCIAL INJUSTICE.

HE APPEALED TO LEADERS OF RESPONSIBLE NATIONS TO GIVE MORE
 THOUGHT TO THE CONSEQUENCES OF POVERTY. — BERNAMA 1338/YF