

NO33 (F)

MAHATHIR

(EMBARGO: FOR RELEASE AFTER 0100 HRS. AUG. 28)

FROM HASHIM MAKARUDDIN

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20 (P)
UNITED NATIONS, AUG. 27 (BERNAMA) — DATUK SERI DR. MAHATHIR
MOHAMMAD SAID TODAY THAT THE CURRENT ECONOMIC RECESSION WAS
LARGELY DUE TO THE EXTREME LETHARGY AND LAZINESS OF WORKERS IN THE
INDUSTRIALISED NATIONS.

ADDRESSING THE 11TH UNITED NATIONS SPECIAL SESSION ON ECONOMIC
DEVELOPMENT HERE, THE DEPUTY PRIME MINISTER SAID THAT THE
ECONOMIC RECESSION COULD NOT BE EXCLUSIVELY BLAMED ON THE OIL PRICE
AND CONSEQUENTLY THE INCREASED COST OF INPUTS.

HE SAID HAVING GOT USED TO AN EASY LIFE AT THE EXPENSE OF THE
REST OF THE WORLD, WORKERS IN INDUSTRIALISED NATIONS WERE NO LONGER
WILLING TO WORK FOR A LIVING.

THEY WANTED THE WORLD TO PROVIDE FOR THEM AS IN THE DAYS
OF COLONIALISM.

+THUS, WHEN PRODUCTIVITY IS ALREADY LOW, WORKERS IN THE
INDUSTRIALISED COUNTRIES STILL GO ON STRIKE FOR YET HIGHER WAGES
AND SHORTER WORKING HOURS, + HE ADDED.

+AND WHEN THEY DO WORK, THEY PRODUCE EVEN LESS THAN IS EXPECTED
OF THEIR SHORTER WORKING HOURS. + — BERNAMA MORE 1413/SZ

NO34 (F)

MAHATHIR 2 UNITED NATIONS (EMBARGO)

DATUK SERI DR. MAHATHIR SAID WHENEVER NEW TECHNIQUES WERE
INTRODUCED, THE WORKERS NOT ONLY PROTESTED BUT ALSO NEGATED WHATEVER
IMPROVEMENT IN PRODUCTIVITY THAT WAS BROUGHT ABOUT.

THE END RESULT, HE SAID, WAS INEFFICIENCY WHICH
MEANT HIGHER PRICES, INFLATION AND RECESSION.

IN HIS 40-MINUTE ADDRESS, DATUK SERI DR. MAHATHIR ALSO TOUCHED
ON PROTECTIONISM, ENERGY, RELOCATION OF INDUSTRIES, COMMODITIES,
FINANCE AND THE NEW INTERNATIONAL ECONOMIC ORDER.

HE STRESSED THAT PROTECTIONISM WAS NOT AN ANSWER TO THE
PROBLEM OF RECESSION.

COUNTRIES OPTING FOR MORE PROTECTIONIST POLICIES WERE
LIKELY TO EXPERIENCE LOWER PRODUCTIVITY AND CONSEQUENTLY A LONGER
RECESSION.

PROTECTIONISM, HE SAID, WAS A SELECTIVE WEAPON MEANT ONLY FOR VERY SPECIAL SITUATIONS. IT COULD NOT BE APPLIED WHOLESALY OR IN PERPETUITY BUT SHOULD INSTEAD BE USED SPRINGLY TO ALLOW NORMAL MARKET FORCES TO WORK. — BERNAMA MORE 1415/SZ

MAHATHIR 3 UNITED NATIONS (EMBARGO)

IN THE RESULTANT COMPETITIVE MARKET, PRODUCTIVITY WAS WHAT WOULD DETERMINE RESULTS.

+HIGHER PRODUCTIVITY MEANS CHEAPER GOODS AND BIGGER SALES VOLUME. IN OTHER WORDS, TRADE, BOTH DOMESTIC AND FOREIGN WOULD INCREASE AND RECESSION REDUCED, + HE ADDED.

DATUK SERI DR. MAHATHIR SAID IT WAS TIME THAT DEVELOPED COUNTRIES PRODUCE MORE OF THEIR OWN FUEL AND STOP WASTE TO REDUCE OIL DEMAND.

ONLY THEN COULD REASONABLE PRICES PREVAIL AND EXPLOITATION OF A DEPLETING ASSET FOR COUNTRIES WITH FEW OTHER ASSETS BE REDUCED.

THE DEPUTY PRIME MINISTER CALLED ON OPEC COUNTRIES TO INVEST IN PETROLEUM-BASED INDUSTRIES IN OTHER DEVELOPING COUNTRIES, ESPECIALLY THOSE WITH NO OIL.

SUCH INVESTMENTS WOULD BENEFIT BOTH OPEC AND THE COUNTRIES WHERE THE PROJECTS ARE SITED.

HE SAID THE DEVELOPING COUNTRIES COULD MAKE CONDITIONS SUITABLE FOR INVESTMENT BY OPEC IN RETURN FOR GUARANTEED ADEQUATE SUPPLY OF PETROLEUM PRODUCTS AT FAIR PRICES. — BERNAMA MORE 1420/SZ

NO36 (F)

MAHATHIR 4 UNITED NATIONS (EMBARGO)

IN THE RESTRUCTURING PROCESS OF THE OIL BUSINESS, DR. MAHATHIR SAID IT WAS IMPORTANT THAT THE DOMINANT POSITION OF PRESENT OIL CORPORATION BE REDUCED.

DEVELOPING COUNTRIES, HE SAID, MIGHT HAVE TO RELY ON OIL AS THEIR MAIN ENERGY SOURCES FOR THE TIME BEING.

IT WAS IMPERATIVE THAT OIL PRODUCERS IN THE SOUTH ENSURED LONG TERM CRUDE OIL SUPPLIES FOR OTHER DEVELOPING NATIONS. 213

"OIL IS TOO IMPORTANT A COMMODITY TO BE SUBJECTED TO THE AVARICIOUS MAINPULATIONS OF PROFIT MOTIVATED CORPORATIONS," HE ADDED.

ON THE COMMON FUND, DATUK SERI DR. MAHATHIR SAID THE CAPITAL STRUCTURE OF THE FUND WITH ITS RELIANCE ON CASH DEPOSITS OF THE INTERNATIONAL COMMODITY AGREEMENTS (ICA) AND GUARANTEES PROVIDED BY MEMBERS RATHER THAN ON DIRECT GOVERNMENT CONTRIBUTIONS WAS STILL NOT ENTIRELY SATISFACTORY.

IT WAS IMPORTANT THAT THE FUND BE STRONG, VIABLE AND EFFECTIVE IN ASSISTING ICAS MEET THEIR FINANCIAL NEEDS AND IN HELPING THE OVERALL DEVELOPMENT OF COMMODITY STRUCTURES OF DEVELOPING COUNTRIES--BERNAMA MORE HM 1414

NO37 (F)

MAHATHIR 5 UNITED NATIONS (EMBARGO)

DATUK SERI DR. MAHATHIR SAID THERE WAS A NEED TO SPEED UP NEGOTIATIONS AND CONCLUSION OF THE OTHER ICAS SO THAT THERE WOULD BE MORE PACTS WHICH COULD PARTICIPATE IN THE FACILITIES OF THE FUND.

HE APPEALED TO THE FEW COUNTRIES WHICH HAD YET GIVEN MALAYSIA THEIR SUPPORT TO MAKE KUALA LUMPUR THE SITE OF THE HEADQUARTERS FOR THE INTERNATIONAL RUBBER COUNCIL TO DO SO.

ON MONEY, THE DEPUTY PRIME MINISTER CALLED FOR SERIOUS ATTENTION TO THE PROBLEMS POSED BY INCONSTANT MONEY VALUE.

HE SAID AS A RESULT OF INCONSTANT MONEY VALUE, ECONOMIC PROJECTIONS AND PLANNING HAD BECOME MEANINGLESS WHILE BUDGETING AND PROVISION OF FUNDS "ARE ABOUT AS ACCURATE AS SHOOTING BLANDFOLDED AT A MOVING TARGET."

ON THE NEW INTERNATIONAL ECONOMIC ORDER, HE SAID IT WAS A DEMAND FOR JUSTICE AND FIRNESS WHICH IN THE LONG RUN WOULD BENEFIT ALL NATIONS.

—BERNAMA HM 1416