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CHOGM-ECONOMY

FROM SYED JAMIL JAAFAR

85 (P) Trip Overseas  
NASSAU (BAHAMAS), OCT 18 (BERNAMA) -- PRIME MINISTER, DATUK SERI DR MAHATHIR MOHAMAD SAID TODAY THERE IS ALMOST TOTAL ANARCHY IN THE WORLD MONETARY SYSTEM WITH THE DEVELOPING COUNTRIES BEING MADE VICTIMS.

HE SAID THAT CURRENCIES FLUCTUATED WITHOUT ANY PROPER ORDER BECAUSE OF SITUATIONS IN THE DEVELOPED COUNTRIES TO THE DESTRUCTION OF THE ECONOMIES OF THE POOR NATIONS.

AND THE DEVELOPING COUNTRIES WHICH DEPENDED ON TRADE FOR ECONOMIC GROWTH WERE SUFFERING BECAUSE OF UNFAIR PRACTICES ADOPTED BY THE RICH NATIONS.

DATUK SERI DR MAHATHIR WAS SPEAKING TO MALAYSIAN NEWSMEN HERE TO COVER THE COMMONWEALTH SUMMIT AT WHICH HE MADE HIS DEBUT. THE PRIME MINISTER WAS ONE OF TWO SPEAKERS TO KICK OFF DISCUSSIONS ON INTERNATIONAL ECONOMIC ISSUES AT TODAY'S SESSION.

HE ALSO SAID THAT THE DEVELOPED COUNTRIES WERE CONTROLLING THE PRICES OF PRIMARY PRODUCTS THROUGH THEIR COMMODITY EXCHANGES OFTEN WITHOUT REGARD FOR THE COST OF PRODUCTION IN THE DEVELOPING PRODUCER COUNTRIES. -- MORE

CHOGM-ECONOMY 2 NASSAU (BAHAMAS)

THE SHARP FLUCTUATION IN CURRENCY VALUES WERE CAUSING HAVOC TO DEVELOPING COUNTRIES WHICH HAD TO PAY MORE TO SERVICE DEBTS WHEN THEIR CURRENCIES DEPRECIATED.

WHEN THEIR CURRENCIES INCREASED IN VALUE, THESE COUNTRIES FOUND THAT THEIR PRODUCTS WERE UNABLE TO COMPETE IN THE INTERNATIONAL MARKET.

DATUK SERI DR MAHATHIR SAID ON TOP OF THAT, THE DEVELOPED COUNTRIES WERE ALSO TRYING TO MONOPOLISE EVEN THE LOWEST OF TECHNOLOGIES.

WHEN DEVELOPING COUNTRIES PROCESSED THEIR COMMODITIES FOR VALUE ADDED, SUCH AS PALM OIL BY MALAYSIA, THE DEVELOPED NATIONS IMPOSED TAXES ON THEM.

THIS WAS TO FORCE THE DEVELOPING COUNTRIES TO CONTINUE EXPORTING RAW MATERIALS OVER WHICH THE DEVELOPED NATIONS HAD CONTROL.

THE PRIME MINISTER, IN HIGHLIGHTING THE UNFAIR PRACTICES OF THE INDUSTRIAL COUNTRIES, POINTED OUT THAT THEY WERE ALSO PRODUCING SUBSTITUTES AND CAUSING OVER SUPPLY OF COMMODITIES SUCH AS EDIBLE OIL THROUGH HEAVY SUBSIDIES. -- BERNAMA

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