

PM hits out at the 'rich seven'

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KUALA LUMPUR, Mon. — Prime Minister Datuk Seri Dr. Mahathir Mohamad criticised today the seven major industrialised nations meeting in Tokyo for ignoring the South's problems and creating their own world order.

He said the seven nations would deliberate and decide on economic issues that would have far-reaching impact on the world.

"And yet we in the South will have no say in their deliberations," he said when opening the South-South II summit of Third World Scholars and Statesmen, sponsored by the Institute of Strategic and International Studies and the Third World Foundation.

Dr Mahathir, accused the cabal of the rich of "closing their ranks and creating their own economic order for the world."

He said the Kuala Lumpur meeting was taking place at a time of severe ad-

versity for the peoples of the Third World.

"Our situation can only be described as deplorable. Before we can make it better, we must prevent it from getting worse."

He said the South, mostly exporters of primary commodities, was now heavily weighed down by debts, and the terms of trade would get worse.

"One would have thought that with lower commodity prices, prices for manufactured imports from the North would go down. They have not."

Dr Mahathir also noted the lack of investment in the South. He said that to get around protectionism in the United States, Europe and Japan were now investing more there, leaving the South with only a trickle.

"It looks like the North has become an enlarged economic block, buying only cheap raw materials from the South and dump-

ing their excess manufactured goods," he said.

The Prime Minister said it was frightening to realise that a few countries could make or break the 120 countries of the South.

Dr Mahathir warned the North that the collapse of the commodity trade would contribute to unemployment which, in turn, would lead to political instability.

He said the summit provided a chance to galvanise the South into action through the adoption of concrete proposals that could be immediately implemented, and suggested that:

- An independent commission on South-South co-operation be established;

- A South-South secretariat be set up to gather information for distribution to Third World countries;

- An international university be set up in the South to reduce part of the billions that flow North;

- There was merit in

commodity agreements as they would enable producers to engage in research and development;

- There should be harmony between programmes of the South-South, the Non-Aligned Movement and the Group of 77;

- Impetus be given to the Caracas Programme of Action which proposed the establishment of a General System of Trade Preference to lower barriers to each other;

- A Minister from each country be assigned to oversee South-South co-operation;

- Ways and means be found to mobilise the private sector throughout the South to interact with each other;

- Cultural co-operation be increased; and

- Third world news agencies be encouraged to identify co-operation and provide more sympathetic news about the South.