

It will ensure the greatest economic good, Pacific Basin council meet told

Chairman:
It was a great speech

PM: World must fight for open trade blocs

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duced. "Intent without outcome is not sufficient," he said.

Dr Mahathir's speech, delivered at the Seoul Arts Centre Opera House, was well received by the participants. Forum moderator Gary Tooker, the PBEC US committee chairman, who is also the chief executive officer and president of Motorola Inc (US), described it as "outstanding and 'excellent'".

Organising chairman Cho Suck Rai said: "It was great. What Dr Mahathir was advocating was exactly why we are here — to discuss free trade."

Dr. M. Oversea trips.

NST 25 MAY 1993

From Tony Francis

SEOUL, Mon. — Datuk Seri Dr Mahathir Mohamad today called on the international community to fight for open regionalism, saying that the world should be a marketplace, a single trading bloc, with as few obstacles and distortions as possible to the freest exchange of goods and services.

In supporting his argument, the Prime Minister said that, firstly, free trade would ensure the greatest economic good for the greatest number of people.

"Our objective must be globalism. In the context of trade, open globalism must be the first and the best choice."

Secondly, the tide of economic and especially trade regionalism will inevitably advance, not retreat.

Dr Mahathir was addressing the "Leaders' Forum" in the Pacific Basin Economic Council (PBEC) international general meeting before 700 participants from 15-member countries, including new-comer Colombia.

The PBEC, founded in

1967, is a non-governmental economic consultative forum solely for the private sector.

The other speakers at the forum were South Korean President Kim Young-sam and Philippine President Fidel Ramos.

Dr Mahathir said given that trade blocs were not going to go away, global statesmanship must ensure that trade blocs would be as open as possible and contribute to global liberation rather than global protectionism.

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"We must fight for open regionalism," he said.

In his view, there was open regionalism if the participants in a regional enterprise:

- go into it with the purpose of liberalising the conditions for economic intercourse between its members;
- launch the regional enterprise without desiring to raise drawbridges and to

man the battlements; and,

- have the intention of reducing the barriers to economies outside the region.

"This is no doubt a rigorous test," he said.

"Most of the 55 post-war trade regionalism schemes fail the test because most may have passed the first condition, many may have passed the second but almost all failed the third."

He believed that for any regional enterprise to be an example of open regionalism, it was necessary for the involved parties to have the intent of opening up their region to the outside world.

"This may not be the primary intent. But the intent must be there."

To qualify as open regionalism, he said it was even more important to pass the test of result or outcome.

Open regionalism existed in fact only if:

- there was actual inter-trade liberalisation; and,
- barriers to outside economies were actually re-

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