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DR M CONFIDENT GATT TALKS WILL LEAD TO ORDERLY WORLD TRADE

From Salbiah Said

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NEW DELHI, Dec 15 (Bernama) --/ Datuk Seri Dr Mahathir Mohamad says he is confident the Uruguay Round of talks under the General Agreement on Trade and Tariffs (GATT) will lead to an orderly world trade.

Speaking at a news conference for Malaysian and Indian journalists here today, the Prime Minister said he was happy with the progress of the GATT talks so far and was confident the negotiators would be able to conclude a new agreement.

Reports from Geneva said the world's two largest traders, the United States and the European Community, had reached an agreement yesterday on differences that had blocked the largest-ever trade deal.

US Trade Representative, Mickey Kantor was quoted as saying he and the EC trade chief, Sir Leon Brittan, "had agreed to disagree" on the contentious issue of subsidies to European film makers and barriers to US entertainment companies seeking a stronger presence across the Atlantic.

They had also assured that this dispute should not prevent a new general agreement on tariffs and trade from being reached with more than 100 other countries.

Speaking to Malaysian journalists later, Dr Mahathir said that Malaysia realised that only the big powers such as the EC and the US would have their voice heard in such negotiations and that Malaysia would not "lose out much" when an orderly agreement was reached between both sides.

"The GATT talks should be orderly conducted, otherwise there will be a unilateral action or protectionist tendencies," he said.

On talks he had with the Prime Minister of India, PV Narasimha Rao and President Robert Mugabe of Zimbabwe, he said they expressed regret that the fourth annual summit of the G-15 which was scheduled to be held here on Dec 13 had to be postponed.

However, a study would be made on the achievements of the G-15 as a whole and seek ways to encourage other members to attend the reconvened summit here some time between March 15 and April 7 next year.

At the joint news conference, Dr Mahathir was asked on a wide range of topics such as Malaysia's privatisation success story, the Asia Pacific Economic Cooperation (Apec), the diplomatic row between Malaysia and Australia and bilateral cooperation between Malaysia and India.

On privatisation, he said workers should be assured that they should reap benefits from it.

In Malaysia's case, employees of Telekom Malaysia and the Postal Services Department were well rewarded as a result of privatisation, and other departments were also keen to privatise their entities.

To a question, Dr Mahathir agreed that privatisation had indeed contributed to the buoyant growth in the Malaysian economy, adding that in fact, Malaysia expected to register an actual balance in the government's actual income and expenditure in the 1994 budget.

On the row caused by Australia's Prime Minister Paul Keating's remarks on him, Dr Mahathir said, "The Australians seemed to think they can instruct us what to do on human rights and democracy, and they think they have a monopoly of these things.

"But if we don't think so and we tell them so, they do not like, and this can cause a lot of problems," he said.

On the bilateral talks he had with Rao, the Prime Minister said discussions were centred on greater bilateral cooperation since India was seriously liberalising its markets. -- More

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Malaysian companies, he said, were interested in participating in joint ventures and production in the telecommunication and transport sectors.

"We both believe in South-South cooperation and that is why we have been pushing it right from the start. We are great believers of the G-15," Dr Mahathir said.

On what it takes for India to be on the road to achieving dynamic growth in its economy as Malaysia, he said, any change would take time and it was not easy to legislate since the people would have to accept and adjust to changes.

"It will take some time before 850 million people can adjust to a system which they are alien to after 40 years of living in a centrally planned economy," he said.

On how India could learn from Malaysia's privatisation experience, he said, "We need to put into place a lot of laws and agencies to take that approach and to make our economic development possible."

India will have to make such plans to facilitate a market economy before it can become fully open. India has a lot to do before it can become fully open and liberal," he said.

Dr Mahathir who was assigned to consider the inclusion of China and Iran into the G-15, said China were sympathetic and supportive of the group but Iran had not been approached. -- Bernama