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Mahathir - west.

MAHATHIR HITS AT THE HYPOCRISY OF THE WEST OVER WORKERS WAGE

From Ali Mamat.

NEW DELHI, March 30 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today hit out at the hypocrisy of the West by pretending to be sympathetic towards workers in the developing countries and proposing a global minimum wage. oversea tips

He said, the sympathy expressed was not actually towards the workers in the developing South but for their own workers who are now facing a serious unemployment.

Speaking to Malaysian reporters here at the conclusion of the fourth Group of 15 Developing Countries (G-15) summit, Dr Mahathir said, the West was only trying to eliminate the only remaining comparative advantage enjoyed by the developing countries in the form of low cost of labour.

The accusation that countries in the South are exploiting their workers are not true. The advantage was due to the prevailing low cost of living in these countries, he said.

The Prime Minister explains that due to the low cost of labour, countries in the South were able to produce goods at a much lower cost, giving an edge over the West.-- more

▼30/03/23-56MST

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Mahathir - West 2 New Delhi

"If that advantage is taken away, then we are left with nothing at all... we will not be able to manufacture goods which could compete with them.

"If this happen, our factories will have to be closed, the workers will be jobless and finally foreign multi-national will no longer invest in our countries when the cost of production is now the same as in the developed countries," he said.

He said, the West which was currently facing a very high unemployment rate would then be able to eliminate all competition and have the market all to themselves.

This, the Prime Minister said, must be viewed with concern by the countries of the South and the just concluded G-15 summit had decided to face up to this.

He said, the group would take a common stand at the ministerial meeting of the General Agreement on Tariffs and Trade in Marrakesh, Morocco next month. -- more

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Mahathir - West 3 New Delhi

"Our ministers will go to Morocco at least a day before the meeting to coordinate our positions," he said.

Elaborating on the unemployment problems in the West, Dr Mahathir said despite all other advantages at their disposal the developed North are still unable to solve it, mainly due to the high cost of labour and high standards of living.

He listed several comparative advantages currently enjoyed by the developed countries including capital, technological know-how, management and marketing know-how and very big domestic market.

"When we borrow capital from them, we will have to pay a very high interest rate. If we want to use their technological know-how we will have to pay royalty.

"In order to use their consultancy, again we have to pay. Their markets are able to support their products locally. These gives them considerable cost advantage, as well as other advantages," he said. --more

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Mahathir - West 4 (last) New Delhi

On the proposal for the restructuring of the United Nations, especially its Security Council adopted by the G-15 leaders at the summit, Dr Mahathir said it could be in the form of additional memberships or the elimination of veto powers enjoyed by the current Permanent Five.

He said developing countries should be given a bigger say, both at the General Assembly and the Security Council to reflect a more democratic UN.

Dr Mahathir who had a bilateral meeting with Indian Prime Minister Narasimha Rao in between the summit, said Malaysia and India had agreed to enhance cooperation either in the form of economic joint venture or investment.

Dr Mahathir and Datuk Seri Datin Paduka Dr Siti Hasmah Mohamad Ali will leave for Kuala Lumpur tomorrow morning. -- Bernama

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