

Nations need to work together as par

# PM: North must

**From Zainon Ahmad**

JAKARTA, Fri. — The prospects are grim for North-South relations unless nations are willing to embark on a mind-set change, realise that they are interdependent and work together as partners, Prime Minister Datuk Seri Dr Mahathir Mohamad said.

He said presently the premises are wrong — the strong and technologically advanced North is unwilling to change while the South is still fumbling with democratic forms and free market complexities.

He said: "If the North wishes to recover economically, the best way is to invest and enrich the South," and added that "beggar them and the North will lose the markets".

Dr Mahathir said this in his keynote address at the "International Conference on Human Resources Development within the Framework of International Partnership" organised by the Indonesian Centre for Information and Development Studies and attended by 38 North and South countries.

In his speech titled "North-South relations: Problems and prospects", he said trying to stifle the growth of the developing countries by insisting on social clauses and unilateral import restrictions will merely impoverish the South and deprive the North of potentially good markets.

"Worse, the poor in the South will migrate to the North," he said to the multinational audience which included Indonesian and Malaysian Ministers and officials.

The Prime Minister said the countries of the North need not fear being displaced in the marketplace by the lower labour cost of the South as they are too far advanced in technology and too rich in capital.

He said the North countries were bound to remain

dominant in certain niches — for example aerospace, telecommunications and computers — which they can exploit as the South will always remain far behind in these fields.

If the North did not want to be seen as perpetuating colonialism in other forms and by other names, he said, it should help the South to obtain a good education for its people to help them earn a reasonable living instead of forcing them to limit their population.

He said: "The South may be weak and poor. But there is no way they will return to the subservience of the past. They may not be able to do much but their resentment will be palpable. Imagine billions of these resentful people overflowing their borders."

Dr Mahathir mentioned Japan as an example of how a strong economy had

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helped its poor neighbours in Southeast Asia to grow and in the end that country had benefited from having rich neighbours.

That Malaysia would not be where it is today without the initial Japanese investment was proof that foreign direct investment is an acknowledged method to develop a developing country's economy.

He said Japan, the country that had spoilt the market dominance of the North, has gone into recession and all its exports lost competitiveness as a result of pressures, apart from protectionist measures, for it to increase the value of the yen.

"The problem is that the North cannot quite reconcile itself to the loss of its colonies and its dominance over the world's economy — mere political dominance in a unipolar world is apparently not enough for the North."

ners, says Dr Mahathir

# help South