

24 NOV 1996

Apec-Malaysia (News focus)

MALAYSIA HAS BACKERS IN APEC STAND

MANILA, Nov 24 (Bernama) -- Malaysia may have felt alone in expressing caution over the Asia Pacific Economic Cooperation's (Apec) lopsided free trade scheme, but outside official meetings, it had countless backers.

Whether by coincidence or not, Malaysia's stance somehow jived with the views of some 300 delegates from 29 countries attending a just-concluded parallel meeting on Apec in Manila.

The meeting, convened by the region's non-governmental organisations (NGOS), assailed Apec's open trade goal for developed economies by 2010 and developing nations by 2020.

In a joint declaration, the delegates -- mostly academics and social activists -- say free trade favours the developed economies more at the expense of the less advanced ones.

It would also further tighten the United States' grip on the developing economies and render them uncompetitive in a free market that ignores human rights and environmental issues.

In his speech yesterday, Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad cautioned Apec officials against forcing the less developed members to embrace free trade beyond their limits.

"It would be unrealistic and grossly unfair to coerce the less advanced member economies to undertake liberalisation measures at a pace and manner beyond their capacity," he said.

Mahathir, one of the Asia-Pacific leaders attending the summit on Monday at Subic free port, also noted Apec's obsession with market liberalisation, rather than development cooperation.

"Opening up the market of the rich to the poor is meaningless if the poor has nothing to sell," said the Malaysian leader in a speech that drew cheers from other Apec officials.

Mahathir's bold statement may have sounded like a discordant voice in an 18-nation gathering that seemed quite naive as to accept free trade, hook, line and sinker.

But Apec needed it to awaken itself from illusions that free trade is its raison d'etre or the only key to raising the level of economic development of laggard member-countries.

A contrary opinion gives member-economies the perspective to understand the pitfalls of free trade and guard against subtle deviations that some may resort to, to protect their own interests.

Unless Apec proceeds with restraint, it is not unlikely that some members may experience the devastating economic crisis that befell Mexico last year.

Mexico's inflation soared, its currency was devalued and its stock market haemorrhaged from heavy withdrawal of foreign funds because of its lack of a "safety net mechanism" in its free trade with the US.

"Similar crisis could result from the various Asia-Pacific governments' blind obedience to Apec," warned Alejandro Villamar, a Mexican delegate to the NGO forum. -- BERNAMA

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