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Dr M tells companies: Create webs of alliances (HL)

Ahmad A Talib in London

DATUK Seri Dr Mahathir Mohamad said companies should create webs of alliances among themselves which would be mutually enriching, and in the long run this would enhance global economic development and prosperity.

The Prime Minister said: "In an increasingly interdependent world, these webs will be so widespread and so busy trading and partnering, that conflict will only hurt everyone equally."

Dr Mahathir said this in his keynote address at the Imperial College here. He made this point when addressing a big gathering of the Multimedia Super Corridor investors conference. The Imperial College is well known for its research and achievements in the field of science, technology and medicine.

Among the companies which participated in the conference were GEC, Caspin Securities, Analysys Ltd, British Telecoms, Reuters, Cable and Wireless (all from Britain); PTT Telecoms (Netherlands); Ericsson (Sweden); Marconi (Italy); and Lagardere, Gemplus, and Madge Network (France).

This is significant considering that he had criticised the western countries and their media for putting obstacles between North and South countries.

The Prime Minister said: "If we choose to co-operate rather than confront and exploit, worldwide economic development and prosperity is possible. Creativity, innovation and entrepreneurship are the scarce resources in a knowledge economy, and these cannot be confined by borders.

"These require the free movement of peoples and ideas which will enable companies, countries and people to benefit from mutual enrichment. Every country and all the world's people should have access to all the competitive advantages of every kind everywhere."

The MSC's London roadshow follows successful earlier ones in the United States and Japan.

One major success of the roadshow is the establishment of the MSC's International Advisory Panel which includes industry leaders such as Jim Barksdale (Netscape), Larry Ellison (Oracle), Bill Gates (Microsoft), Nobuyuki Idei (Sony), Lou Gerstener (IBM), Bon Moo Koo (Lucky Goldstar), Jim Manzi, Scott McNealy (Sun), Kenichi Ohmae, Eckhard Pfeiffer (Compaq), Lewis Platt (Hewlett Packard), Hasso Plattner (SAP) and Masayoshi Son (Softbank).

Elaborating on the web of alliances, Dr Mahathir said the best companies would no longer be able to perform all their economic activities within their corporate borders.

Like spiders, they would weave even more intricate webs of relationships with other companies so that each performs the activity they do best.

These companies will collaborate across borders unaffected by distances and generate increasing returns as more and more partners and customers join their web.

He said: "This is possibly the new model of development for the Information Age and it is likely that unless we are flexible and responsive to changes in technology, industry structure, or consumer preferences, we will be bypassed.

"The fibres that link these global webs do not break or even bend at country or continental borders or cultural boundaries."

The Prime Minister's address, titled "MSC: A global bridge from Europe

to Asia for the World Century", also highlights his oft-repeated call for everyone to help in the creation of what he termed as the "Century of the World".

Possibly unprecedented in its nature, it is a century of worldwide peace and shared responsibility. "This is because the forces that drive the Information Age will result in the breaking down of physical, social and economic barriers which can stimulate growth through mutual enrichment if we chose to do so," he said.

The Prime Minister said the Century of the World will be an Age of Connectivity between peoples, places, information and ideas. In this context, Asia has a special role to play in the creation of the World Century.

On this, the Prime Minister said certain parts of Asia, particularly East Asia, had jettisoned the "beggar-thy-neighbour" mindset in favour of "prosper-thy-neighbour" policy.

Simply put, the policy calls for neighbours helping each other to prosper and being good trading partners as well, thus eliminating problems and conflict.

Seen in this light, the World Century is possible to achieve and the prophecy that there would be a clash of civilisations should be rejected.

"The civilisations would be so intermixed that the old-fashioned confrontations would be physically impossible.

"There may be tensions between societies and within nations as the 21st Century forces every country to become multi-ethnic and multi-religious. But such tensions can be contained.

"Malaysia has the kind of racial and religious mixture that will be common in all the world's countries of the 21st Century, and Malaysia has shown that peoples of different ethnic and religious faiths can live and work together. They clash at their own risk and detriment," he told his audience.

Dr Mahathir asked the gathering to try to envisage what kind of problems the Information Age would bring.

"We do not know for certain. We can postulate this and that but we have always been wrong when forecasting the future.

"None of us foresaw the invention of the microchip. But the microchip has already changed our lives radically. And now with the advances in telecommunications, we are going to undergo even more radical changes which can make natural borders and therefore nation-states almost obsolete."

The Prime Minister said: "Malaysia offers the Multimedia Super Corridor as a huge test-bed for trying out not just the technology but also the way of life in the age of instant and unlimited information.

"With the liberalism and freedom of your society, how will it fare in an environment of total transparency? How will you manage for example the total and absolute corruption of your children through the Internet and other nets as they make available ever more gruesome violence and explicit pornography?

"How will you deal with the souls who are going to be lost to the point of committing mass suicide, or the access to simple technologies for making cheap bombs and other weapons or even nuclear devices?

"Will there be anarchy or will governments discover themselves just in time before we go over the brink? I don't think the Multimedia Super Corridor will provide all the answers, but we can become a little bit wiser."

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