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PM: Don't rush to remove rules (HL)

Mustapha Kamil; Kamarul Yunus in Edinburgh
EDINBURGH (Scotland), Fri: Prime Minister Datuk Seri Dr Mahathir Mohamad says Commonwealth countries must understand liberalisation fully and what it offers before removing the rules and regulations.

Pointing out that not all countries are prepared for a borderless world, Dr Mahathir called for unity among member countries in facing the odds in the increasingly globalised environment.

He was the lead speaker at the first Executive Session of the Commonwealth Heads of Government Meeting (CHOGM) which opened here today.

Dr Mahathir said with the advent of the Information Age, Commonwealth economies have no choice but to become more liberal and to accept globalisation.

A globalised world however can be anarchic, he said, adding that the tearing down of borders can create an unfair environment which tend to benefit only the strong.

"Doing away with borders, national policies and laws need not mean doing away with rules and regulations completely. The world should have a properly legislated code of behaviour which is applicable to everyone and which will protect the weak from the strong," he added.

Sounding a word of caution to the other Commonwealth leaders, Dr Mahathir said Malaysia is currently facing an attack on its economy after having embraced the concept of globalisation and liberalised its trading and investments rules.

"Forty years of sweat, toil and tears can be shattered in just a few weeks under present rules in which we had no say in the formulation, that is if there are rules at all. Thus, we must be cautious when embracing concepts not of our own making," he added.

Furthermore, he said, there is still a lack of understanding on the still vague ideas of globalisation and liberalisation.

"The words have been used very loosely. This may result in anything and everything being labelled 'global' and 'liberal' but which may benefit some and disadvantage others," he added.

In fact, Dr Mahathir said, even the developed countries of Europe are also facing difficulties eliminating barriers to create the European Union.

While acknowledging the need to reduce trade barriers to progress and prosper, the Prime Minister said the world must consider the state of development and the competitive advantages of the individual countries.

"The playing fields may be level but for competition to be fair, the players must be evenly matched. Otherwise the disadvantaged will only be further disadvantaged in a world without borders and barriers," he added.

Turning to the Commonwealth, Dr Mahathir noted that the distribution of advantages and wealth among member countries is still uneven, with the bulk of the riches remaining largely in the hands of the original five members.

Countries in the Commonwealth are in a unique position to help each other to achieve development and prosperity as no other grouping enjoys similar features and wealth, the Prime Minister said.

"Yet despite these positive features, members of the Commonwealth have not really gained much from the organisation. We can only blame ourselves for this," he said.

Dr Mahathir cited historical facts which brought about present

shortcomings in the Commonwealth, saying among other things, the practice among rich members in merely allocating large amounts of funds for social and other benefits in poor member countries had not helped to secure the latter's future.

When these countries gained independence the funds and aid were misused while the previously enriched state enterprises were found incapable of running the industries.

In recent years, he said, new forms of partnerships have been forged, even with non-Commonwealth countries for growth, including between governments and the private sector as well as with foreign investors.

For instance, he said, the Commonwealth can assist in making a success of the smart partnership concept proposed by the Langkawi International Dialogue, the Southern Africa International Dialogue and the Barbados International Dialogue.

Looking to the future, Dr Mahathir said the Commonwealth can survive the Information Age if it makes itself relevant in terms of tradition, trade, investments and development.

But it will take some doing in view of the forces lined up to take advantage of the new trend, which may not necessarily be sympathetic to what they see as an anachronism in a globalised world.