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Talk focuses on group's potential

THE cancellation of the G-15 Summit in 1994 over the lack of a quorum might have given "G-15 sceptics" unexpected strength.

However, as its seventh summit, seen as the grouping's defining meeting, got underway yesterday talk about its achievements, potential and possibilities was prevalent.

Shri Krishan Kant, the Vice-President of India, country of 950 million people powered by a strong middle-class, summed up sentiment.

He said South-South co-operation was dismissed by sceptics at the inception of G-15 as a "slogan without substance" and "wishful thinking".

Now India's trade with Africa and Latin America has risen and Malaysia is one of its major investors and trading partners.

Describing the Malaysian presence in India as "visible", he said Malaysians had investments in telecommunications, road building, real estate, and ports.

"Similarly, India is getting increasingly drawn into the Malaysian economy," he said when addressing the summit. He said the Multimedia Super Corridor was one of the attractions to Indian investors.

He called all this "a true demonstration of South-South synergy."

Intra-trade among G-15 countries totalled US\$72 billion (RM244 billion) last year, up from US\$64 billion from the previous year. Malaysia is the largest exporter in the group.

Officials, speaking on the sidelines of the summit, alluded to G-15 projects such as the Bilateral Payment Agreement - with Malaysia having signed 25 BPAs with developing countries; solar energy, bio technology; the South Investment, Trade and Technology Data Exchange (Sittdec) since privatised as Sibexlink; and Business Investment Forum which is being co-ordinated by Zimbabwe.

They said these were further demonstrations of G-15 potential.

Prime Minister Datuk Seri Dr Mahathir Mohamad also launched Sibexlink's G-15 web site yesterday and a directory produced by the Malaysia South-South Association.

The directory, said International Trade and Industry Minister Datuk Seri Rafidah Aziz, would help enhance trade and investment links.

India also announced an offer of placements for G-15 nominees in 37 Centres of Excellence in India, in support of the Centres of Excellence Project co-ordinated by Malaysia.

There were also mentions of tourism projects, G-15 trade liberalisation initiatives, and removal of barriers in intra G-15 trade and investment.

Amid such potential Foreign Minister Datuk Seri Abdullah Ahmad Badawi, brushed aside a foreign journalist's question on the unsatisfactory attendance of leaders at G-15 Summits.

"Just look at the trade exhibition. I remember well that four years ago, there were few exhibitors, and this has all changed."

The relevance of the grouping, many argue, has been enhanced by the changes in the world economic environment.

President Robert Mugabe of Zimbabwe told the summit that it was now more urgent for G-15 to pursue its objectives, saying the greater process of liberalisation and globalisation had brought "mixed fortunes" to the various countries.

He said there was a real danger of Africa, which has 33 of the world's 48 least developed countries, being "marginalised in the unfolding

process."

On this worry, another African leader, President Hosni Mubarak of Egypt quoted studies which predicted a reduction in per-capita income in the poor African countries, to US\$325 by the year 2030.

By then, per-capita income in OECD countries would have risen to US\$40,000. This is a clear example of the marginalisation that G-15 leaders said need to be addressed.

Overall, leaders who spoke touched on common issues and worries like currency problems, reduction in developed countries' Official Development Assistance, globalisation, fear of marginalisation, South-South co-operation, and the North-South dialogue.

In this respect, the desire to seek new patterns of global relations was apparent. India's Krishan used the term South-North instead of the more common North-South, and suggested that the G-15 produce its own positive agenda that was sensitive to the North's concerns.

Mubarak, who spoke on G-15 initiatives for dialogue with G-7 not getting "sufficient response", said real partnership between developing and developed nations meant "equal and balanced reciprocity between rights and commitments."

Representing Latin America at the opening ceremony, President Alberto Fujimori of Peru spoke of revitalising North-South dialogue on conditions that "take into account our (G-15) needs, and allow us to react to the challenges evolving from globalisation."

Fujimori said the G-15 should also promote entrepreneurial ventures "to create investment, employment and prosperity" in member countries.

In this context, Latin America is making economic advances with the inflation rate expected to be at 12 per cent this year, well below the three digit level in the 1991-94 period.

This was the result of structural reforms and sound and prudent policies. The challenges ahead for Latin America will be greater amid greater globalisation and further reconstruction.

Already, as emphasised by Dr Mahathir in his speech, some of the world's most dynamic developing countries were G-15 members.

The Prime Minister said: "We can choose either to make use of this potential or let it go to waste."

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