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PM: `New capitalists' may dominate Asian economies

Nuraina Samad in Tokyo

DATUK Seri Dr Mahathir Mohamad yesterday painted a bleak picture of Asia's future in a globalised and deregulated world, in which Asian countries will prosper but their economies will be dominated and run by "new capitalists".

The Prime Minister said in such a world the future of Asia would be so closely intertwined and interlinked with that of the rest of the world that it could not be distinguished from the world's future.

"Asian countries will prosper but not as Asian countries. Their economies would be dominated and run by huge foreign corporations, practically all owned and managed by non-Asians," he said in his keynote address at the Nihon Keizei Shimbun Inc (Nikkei) The Future of Asia international conference at Okura Hotel here.

This is the second time Dr Mahathir has been invited to address the conference. The first was in 1995.

Dr Mahathir said in a future where Asia could remain intact after extricating itself from the present situation, there could indeed be a restoration of the healthy competition among Asia, Europe and the US.

"But the new capitalists would not want to miss the opportunity to dominate the world and make lots of money in the process.

"Only if their own countries restrain them will the future of the world, of which Asia is a part, be peaceful and prosperous."

The Prime Minister, who spoke on The Future of Asia in a Globalised and Deregulated World, traced the history and development of the economic systems of the world after the Second World War and their impact on the less developed nations.

Dr Mahathir, in his prediction, sees Southeast Asia providing a base for the production of low-cost products to compete with those of certain large Asian economies which refuse to be controlled.

"In the end these countries, too, will give in," he said, adding that the Governments would submit because "they know they are up against forces they cannot defeat".

Dr Mahathir said in such a situation, the people would "show their resentment against those outsiders who will lord it over them once again".

"Sooner rather than later they will think of regaining control over their economies. They will regard this as a new war of liberation. Even if they want to avoid violence, violence must come as the new capitalists disregard the signs."

In a speech that also reflected his contempt for currency traders for causing the financial problem in the region, Dr Mahathir said in the push for deregulation and globalisation, it was not the exploitation of local labour that was the focus of the new capitalists, but "the exploitation of the poor countries worldwide that promises unlimited gains".

"These capitalists do not talk of millions of dollars of profits, they talk of billions of dollars. They cannot wait to do ordinary businesses involving time-consuming research, manufacturing and exporting.

"They want to make their billions overnight. And currency trading provides them with mind-boggling profits."

Dr Mahathir said these capitalists had become a force no Government of developing countries could go against simply because they had "trillions at their disposal".

It was not difficult for them to promote "the legitimacy and the

wholesomeness" of their concept of the new world order because they had control of the media that helped them to shape public opinion and censor criticisms.

"If they say globalism is good, then the whole apparatus will say so and no one will be allowed to say otherwise."

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