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Dr M: Market not going to be free for everyone

NAKED capitalism has made a comeback, where the biggest and most efficient is pushing the small and the less well-equipped out of business, Datuk Seri Dr Mahathir Mohamad said last night.

The Prime Minister said free market, the "gentler face of capitalism", no longer exists.

"Free market was presented to win adherents and encourage defection from the centrally-planned economies. But after the collapse of the Communist and the Socialist, the need to show the gentle face of capitalism is no longer there.

"Now naked capitalism has made a comeback," Dr Mahathir said at the Second Asia Pacific Conference organised by the Young Entrepreneurs' Organisation in Kuala Lumpur.

His speech was delivered by Entrepreneur Development Minister Datuk Mustapa Mohamed.

In the naked capitalism scenario, the Prime Minister said the market is not going to be free for everyone anymore.

"It is going to be the arena for a winner-takes-all competition. The biggest and the most efficient will push out not just the corrupt but also those who are smaller and less well-equipped," he added.

Dr Mahathir said this is already happening in the banking industry where mergers and acquisitions are intended to create banking giants which can dominate the industry.

"There is no place for the small anywhere. Globalisation and liberalisation are translated into absolute freedom to dominate worldwide. Competition will only be between the few giants. Oligopoly is the order of the day," he added.

Dr Mahathir said everything will then be giant-sized, spread throughout the world.

"We will eat at world-sized restaurant chains, stay at identical hotels, wear mass-produced clothing, drive in three makes of cars, etc. Even the boutiques will be limited to a few world-brands. We will all work for a small number of giant employers operating worldwide," he added.

The Prime Minister said while the scenario he was painting may not actually take place, Malaysians must recognise that the advances in information technology make these things possible.

"Entrepreneurs must look for a niche for themselves in this new economic order," he added.

Dr Mahathir said he was sure that local entrepreneurs would not be discouraged by the picture he had painted of naked capitalism and new economic order.

He also said Malaysia is taking the Information Age seriously with the launching of the Multimedia Super Corridor where business in multimedia will be provided.

He said with the big players and established multimedia companies making use of the facilities available in the Multimedia Super Corridor, small entrepreneurs will have ample room to develop software, contents and supporting products of the same facilities.

Bernama reports: Dr Mahathir yesterday resumed official duties after recuperating four days at the Universiti Kebangsaan Malaysia Hospital in Cheras where he underwent a minor operation to remove a blood clot in his left ankle.

The Prime Minister started the day by chairing the weekly Cabinet meeting, a statement from the Prime Minister's office said yesterday.  
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