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G15-Secretariat (Preview)

WILL G-15 GET A PERMANENT SECRETARIAT?

By: Azman Ujang

CAIRO, May 7 (Bernama) -- After seven years, and coming to its eighth Summit beginning here on Monday, the G-15, a grouping now enlarged to 16 developing countries of the South, is still without a permanent secretariat.

Some want it but most are believed to be against the idea.

But whether or not it will get one will be on the agenda of the summit here of the leaders of Algeria, Argentina, Brazil, Chile, Egypt, India, Indonesia, Jamaica, Kenya, Malaysia, Mexico, Nigeria, Peru, Senegal, Venezuela and Zimbabwe.

The G-15 holds its summit annually and in fact, this one in the Egyptian capital will go down as the "fastest" one to be held, hardly six months after the last summit in Kuala Lumpur. Kenya was admitted into the grouping in Kuala Lumpur.

During the Kuala Lumpur summit, Malaysia, as the chairman, was tasked with preparing a paper on the feasibility of setting up a permanent secretariat for the grouping, a forum for South-South dialogue and for dialogue between the developing South and the developed North.

"Malaysia's paper will spell out the pros and cons of such a secretariat," Foreign Ministry Secretary-General Datuk Abdul Kadir Mohamed said.

Countries, notably India, which support such a secretariat, have argued that it is necessary to enhance the functions and capabilities of the grouping.

But it is understood that Malaysia is satisfied with the set-up of the existing Technical Support Group in place of a permanent secretariat.

Those wanting such a secretariat have pointed to the need for a body to boost trade and economic cooperation among member countries on a more coherent basis.

But those against the idea say a permanent secretariat will entail yet another bureaucracy of a regional scale.

Malaysia, according to G-15 sources here, has never supported the idea of a permanent secretariat, as it feels that it will inevitably lead to a bureaucracy which might retard the progress of the grouping itself.

As one official here summed up: "If we have a permanent secretariat, much haggling will go into choosing who will be the first secretary-general and other officials down the line and so on".

Holding another G-15 summit so soon actually means that host, Egyptian President Hosni Mubarak, is keeping to the promise he made at the Kuala Lumpur meeting in November last year.

It was then decided that Jamaica would host this year's summit at the year-end but it had to decline because the country was due to hold a general election at that time.

President Mubarak "volunteered" to host the summit this early in view of the rapid developments taking place in the international financial system following the Asian economic crisis that began in July last year.

So, on the agenda this time will be discussions on the review of the developments in the international financial markets, a concept being pushed strongly by Malaysia, one of the Southeast Asian economies hard hit by the financial market turmoil.

Sources here said that since then, the concept for such a review had taken hold and won backing internationally, including at the International

Monetary Fund and World Bank forums.

It is also understood that some G-15 leaders are keen to push the idea of having a personal representative of the grouping to brief the next summit of the developed Group of Seven (G-7) countries scheduled later this year in Birmingham.

But sources said it was most unlikely the G-7, which like the G-15 has now got an additional member in Russia, would agree to accommodate a briefing from a G-15 personal representative at its summit.

Alternatively, some G-15 leaders, including Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad and Egyptian President Hosni Mubarak, have taken the initiative to communicate with British Prime Minister Tony Blair, who chairs the next G-7 summit, on the need to take the views and problems of the developing countries into account.

Malaysia, according to the sources, had always had strong feelings about the need for such North-South consultation, learning from the past experience of the G-7 in fixing the exchange rate for the Japanese yen, which led to Malaysia to end up many times more indebted in yen value for its foreign loans.

Senior officials of the grouping began their meeting today to fix the summit's agenda to be followed by the meeting of the trade ministers tomorrow and foreign ministers on Saturday in the run-up to the summit.

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