

30 APR 1999

MAHATHIR-ASIA

ASIA MUST BE REBUILT ON EVEN STRONGER FOUNDATIONS AFTER CRISIS

By: Yong Soo Heong

KUALA LUMPUR, April 30 (Bernama) -- Asia, which has been devastated by the financial crisis, must be rebuilt on even more solid foundations than before, says Prime Minister Datuk Seri Dr Mahathir Mohamad.

In penning his thoughts in his latest book, "A New Deal For Asia" (Pelanduk Publications paperback) to be released in early May, he said Asia must again focus on the future after the financial crisis had impoverished the region.

"We must move forward tirelessly in our efforts to restore not only the values of our markets, but also the pride and self-confidence of our peoples. Of course, we must also work to get rid of any cronyism or corruption that may obstruct the forging of vibrant and healthy economies." he said.

The prime minister, however, conceded that none of these can be done in isolation.

"Asians may work on reconstructing their economies only to find them attacked yet again by ruthless traders on the financial market. Uncontrolled greed may once again wipe out years of toil and sweat and hard effort."

But Dr Mahathir, saying that he has been a firsthand witness to the wave of destruction that spread across the region, stressed that the lesson the world must learn from the Asian crisis is that "we all share a common fate, and that there must now be a willingness to challenge some of the most fundamental tenets of global capitalism."

He said the question is whether the world's leading economic powers will realise this and take action before their own markets start to tumble and fall.

"Must the Dow Jones crash with all the pain and anger this entails before the world will wake up?" he asked.

Saying that he hoped that this would not happen, Dr Mahathir said people can act in concert to prevent further anguish and impoverishment.

The prime minister pin-pointed that an incessant greed for money and instant material gain has impoverished Asia.

A whole region which took pride in its economic achievements over the last few decades, and which was praised by countries around the world as the global engine of growth and prosperity, suddenly came under the attack of currency traders and financial speculators, he said.

The turmoil in Asia, he said, had naturally caused strong feelings and sudden outbursts of emotion and, often, anti-Western sentiment.

People, he said, have the right to fear a new form of economic colonialism as foreign corporations and investors move in to buy up Asian companies and shares at bargain prices.

"Envy and hatred are strongly anchored in people's hearts and unfortunately it may take some time before these feelings subside."

On globalisation and trade liberalisation, Dr Mahathir said contrary to what has been portrayed of him as being against such policies, he said he actually believed in them.

He also believed in dismantling national laws and rules which hamper trade and cross-border capital flows.

In the book, Dr Mahathir shared his thoughts and insights on the matter and how he viewed certain business practices which had become detrimental and anarchic to the world, especially the rogue traders who wreaked havoc

to certain Asian economies and brought along the Asian financial crisis.

He said, "If globalisation and open markets are to contribute to true growth and enrichment of people, there must be certain regulating mechanisms or laws for everyone to observe. Without these, the strong and the corrupt will rule and dominate and the sheer lust for money will be allowed to set the global economic agenda."

"Is that what is being advocated? Is that what the Western nations who created this system and continue to laud its virtues are aiming for?" he asked.

But Dr Mahathir, in taking a stance that it is no use to cry over spilt milk, said, "Now is not the time for recriminations, but to reexamine the way our global economic system functions. Yet I do not see this discussion in major Western media.

"They report on the daily movements of stock markets and currencies across the world, almost as if repeating a sacred mantra. Fund managers and financial analysts are sought to provide advice and predictions as if they were the oracles of our time.

"Nobody seems to question the rights of currency traders or stockbrokers to play with the fate of entire nations in their pursuit of greater profits. Nobody seriously asks why currency transactions should not be taxed or regulated like conventional trade is."

Taking a swipe at currency trading, he said it is said to be 20 times bigger in monetary terms than trade in goods and services, yet very few people derive any benefit from currency trading. Currency trading has created virtually no employment, no growth in business or in the wealth of the man in the street.

"Is there something sacred about currency trading that it is left completely free of taxation and is kept away from serious public scrutiny? How can Western powers preach democracy and demand more transparency of Asian nations when their own brand of global capitalism is kept secretive and unquestioned?" the prime minister questioned.

Saying that it is time to breach these taboos and discuss these issues openly, he said "now is also the time to look ahead and move on." --

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