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Developing nations must close ranks to survive, says PM

Mustapha Kamil in Montego Bay, Jamaica

MORTEGO Bay, Jamaica, Thurs: Prime Minister Datuk Seri Dr Mahathir Mohamad yesterday called for greater Group of 15 (G-15) cohesion and consultation in facing a world increasingly dominated by the rich states.

Speaking at the opening of the Ninth Summit of the G-15 here on behalf of the Asian member states, Dr Mahathir said the grouping's members, scattered over three continents, are considered weak and poor.

Held together by a thin and fragile belief that they have something in common, and that cooperation offers the best chance for them to overcome the challenges, "I must say... we are not succeeding too well," he said. The rich and powerful states, on the other hand, are consolidating and forming powerful alliances.

"Clearly, if we want to safeguard our future, we have to be aware of the forces around us, to consult with each other more often and to have a common stand on most issues," Dr Mahathir said.

Capitalism, which once held so much promise for the developing economies, has become the biggest threat. This is because since its triumph over communism and socialism, capitalism has lost the need to adapt and be acceptable.

The poor countries have lost the option of an alternative to capitalism, and with it the little leverage they had in defending their interests, he said.

Consequently, the worst of capitalism is bared. "Anything done in the name of capitalism must be accepted on pain of being labelled a heretic." Paradoxically for East Asia, the greatest catastrophe for countries which have always been anti-communist is the defeat of communism itself, Dr Mahathir said.

Economies once labelled "tigers" are reduced to begging for assistance. The free flow of foreign capital which has always been welcomed in East Asia becomes the cause of the region's most severe economic problems ever. Starvation, rioting, looting and the overthrowing of governments and undermining of political systems are manifestations of the impoverishment process.

Ultimately, foreign direction in their internal affairs and a loss of independence must be accepted by the troubled countries.

When the troubled countries turn to multilateral institutions such as the International Monetary Fund (IMF) for aid, they are told that they must first open up their economies and not protect their own financial institutions and corporations.

And as if the foreign corporations are not already big enough, they are now consolidating, and merging into super large entities, he said. These foreign corporations may not have any intentions to interfere in local politics, but "we know that in the banana republics the managers of plantations wield more power than the presidents."

Globalisation and borderlessness only seeks to ensure that capital is able to flow anywhere, anytime without hindrance, while the poor continue to be prevented by barbed wires and border guards from joining the rich. Indeed, The Prime Minister said, communism may have been defeated, but the Cold War is certainly not over, because the quest for ever more destructive weapons continues unabated.

To recover the money poured into the development of new weapons, the poor countries are persuaded to buy them, causing mini arms races and

heightened tensions, as well as misallocation of limited resources at the expense of the well-being of society.

Those who dare speak up and criticise the strong and powerful will be punished, including being demonised and their credibility undermined by the media.

Dr Mahathir said while he has been proven wrong before, he has also been right many times. "It is possible that I will be right again this time." He also said he is prepared to be ridiculed and that it would be a small price to pay compared to the punishment he received, when the ringgit was devalued, for his sharp criticism of currency speculation and manipulation in East Asia.

"That is a risk my country, and I, will take. But I have to say what I have to say."

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