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G15-MAHATHIR

DR MAHATHIR WARNS OF THE EVILS OF UNIPOLAR WORLD

By: Kuah Guan Oo

MONTEGO BAY, Jamaica, Feb 11 (Bernama) - Prime Minister Datuk Seri Dr Mahathir Mohamad has warned developing countries of the perils of a unipolar world where anything done in the name of capitalism must be accepted on pain of being labelled a heretic.

He said the defeat of communism and socialism means that only one politico-economic creed is allowed, unlike the Cold War era when capitalism modified itself in order to be more acceptable.

"Today, capitalism finds little need to compete for acceptance. As a result, the worst aspects of the system had been bared. Anything done in the name of capitalism must be accepted on pain of being labelled a heretic," he said in his address during the opening ceremony of the 9th summit of the G-15 group of 17 developing countries here Wednesday.

He was speaking on behalf of the Asian members of the nine-year old grouping consisting of Argentina, Brazil, Chile, Mexico, Peru, Venezuela, Jamaica, Algeria, Egypt, Kenya, Nigeria, Senegal, Zimbabwe, India, Indonesia, Malaysia and Sri Lanka.

Punctuated by thunderous applause from the gathering that saw the presence of seven other heads of government, Dr Mahathir said that they had welcomed the end of the Cold War but unfortunately they found that losing the option to defect to the other side had deprived them of the little leverage that they had in defending themselves.

Dr Mahathir, who said he himself and Malaysia would rather take the risk of attracting punitive action by voicing out his views, told the delegates that they are seeing the "worst aspects" of the "new capitalism" today.

In his speech, the prime minister seemed to have gone beyond the question of speculative short-term capital flows and instead pointed to the root cause of the current financial ills of the world.

In East Asia, he said, they had experienced the new capitalism in the free flow of capital across their borders which they had welcomed in order to boost their growth.

"We still do but now we realise the damage to our economies when that capital is suddenly withdrawn. "From being miracle economies we have now become impoverished nations."

The "great Asian tigers" are now no more. Reduced to whimpering and begging, they are but a shadow of their former selves.

"Their people are starving, rioting and looting. Their governments have been overthrown and their political system so undermined that they cannot govern effectively. They have to accept foreign direction of their internal affairs.

Dr Mahathir said the assault on them is, however, far from over.

"Whether it is planned or not their impoverishment has exposed them to the dangers of losing their independence.

The prime minister noted that a condition for these stricken countries to get aid from such institutions as the IMF is to open up their economies to unrestricted penetration by foreign businesses. "They may not protect their indigenous banks and industries. These may be taken over or shouldered aside by foreign giants.

He said as if these foreign corporations like banks and industries are not big enough, they are now engaged in consolidating and merging themselves into "superbig" entities, each bigger than the developing

countries.

When these superbig giants move in, their local counterparts will just suffocate to death.

Dr Mahathir said he is not sure if it is their intention to interfere in local politics but in the banana republics, the managers of banana plantations wield more power than the presidents of these countries.

"The temptation to interfere in local politics might be too much for the foreign giants to resist."

Dr Mahathir said today power not only corrupts but it must also be free of any challenge. " If anyone has the temerity to criticise those with power, the result can be very painful for the critic."

Among the weapons to be employed against the critics is the media. "If anyone criticises the action of the mighty the media will demonise the critic and cause him to lose credibility."

Noting that the 17 members of the G-15 were banded to enhance whatever little strength they have and to use it to enable them to survive, he said that in all these, they are not succeeding too well.

On the other hand, the rich and powerful nations are consolidating, forming powerful cohesive politico-economic alliances.

"They meet, they plan and they execute strategies impacting on the world. 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 he might have painted a very gloomy picture of the future. "Maybe I am over pessimistic. Maybe I am exaggerating. I have been wrong before and I may be wrong again."

"But I was right many times also and it is possible that I will be right again this time, if not fully at least partly.

"And if I am partly right even, it is not going to be good for us in the developing world. We may find our newly won independence eroded away."

Dr Mahathir told the gathering that Malaysia took four centuries to liberate itself and has been independent for 41 years, and it does not relish losing that independence.

Dr Mahathir said as a member of the G-15, he felt a need to shout his warnings although he knows he will be ridiculed "but that is a small price to pay."

"The world may not see a clash of civilizations but the disparities between the weak and the strong is such that might will continue to be regarded as right."

He also said he did not ask to be believed but he appreciated the opportunity to speak out before the gathering of the leaders of middle-income developing countries.

He said when he condemned the currency traders at the height of their attack on East Asian countries, he was punished by having the currency of his country devalued further.

He said he was told to cease and desist but he did not and the currency and stock market and the image of Malaysia suffered.

Dr Mahathir said that what he had said today might attract other punitive actions.

"That is a risk that I have to take. That is a risk that my own country will take. But I have to say what I have to say," he said.--BERNAMA

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