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Independence denied and surrendered

WHATEVER the immediate reaction among East Asians is to Prime Minister Datuk Seri Dr Mahathir Mohamad's latest efforts to get the region to safeguard itself, the response of the West is unlikely to be positive. This Malaysia has learnt to expect, not least from the strong exception leaders and experts in the developed world showed earlier this decade when Dr Mahathir proposed to establish the East Asian Economic Grouping, later renamed the East Asian Economic Caucus (EAEC), even after the Association of South-East Asian Nations (Asean) and several others, including China, had endorsed it. In fact, whatever ideas Asians have come up with to secure their own future, and which the West views as capable of undermining the authority or limiting the influence of bodies backed by it, have been neutralised very swiftly.

Dr Mahathir's idea to set up an East-Asian Monetary Fund, which he mooted at the World Economic Forum in Singapore yesterday, will be the next target for assassination. Even the Japan-backed Asian Monetary Fund, proposed at the height of the Asian currency crisis, was shot down unceremoniously by the US because Washington did not wish to see the International Monetary Fund (IMF) losing its hold on the region. The IMF had lost its credibility over its handling of the Asian crisis but that did not matter to the US; the fact that some people in Asia thought they could do a better job than the IMF did. Even though the Asian Monetary Fund could have helped the crisis-hit countries recover from the contagion faster and offered a real prospect of averting a similar economic disaster, America's blessing was not forthcoming. In the end, Japan had to come up with the Miyazawa Plan to assist its trading partners in South-East Asia since their survival was crucial to its own well-being. This the US did not object to, obviously because the effort was conceived to be a one-way aid programme and would not involve any form of group effort involving countries in the region.

Other ideas have failed to see the light of day because they did not go down well with the current thinking in the West. Some of them were suggestions aimed at making things for the crisis-hit region better. The call for currency trading to be regulated, for example, was opposed by governments in the West; the currency traders themselves did not have to bother too much about defending themselves. And so was the appeal to curb the activities of hedge funds. Even when the Asia Pacific Economic Cooperation forum, which counts the US as its most powerful member, endorsed the proposal to review the activities of the international rating agencies, nothing was done because down the line the relevant authorities in the US and some other developed countries are simply not interested in doing that.

When an idea is mooted by the Malaysian Prime Minister, it seems the opposition would be even fiercer and more coordinated than if it had come from another leader. The proposed EAEC is a classic example where the West ganged up to ensure that the grouping, no matter how consultative or loose, does not get off the ground. When it comes to Dr Mahathir, even the Western media would be involved in the campaign against his idea or suggestion. He pointed a finger at the destructive elements in currency trading and hedge funds' ridiculous leverage and the media accused him of self-denial; he put into effect the selective capital controls and threw out the IMF's prescriptions as a means to deal with the Asian crisis, and

the West accused him of wrenching Malaysia away from the free and open economic system.

Asians themselves must take part of the blame for the pre-natal death of many of their own ideas. Too many of their governments and leaders need the blessing of the powerful West even to open their mouths to speak, let alone dare throw their support for new ideas before the West have responded to them. Many Asian countries remain beholden to the powers that be and as long as they stay that way, Asia will never be unable to act independently even for its own good.

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