

10/02/1999

We must find common position, says Rafidah

Zainul Arifin in Montego Bay, Jamaica

IN the rough and tumble world of trade negotiations, where the stakes are high and the pressure intense, developing countries must band together and speak with one voice to make sure that their interests are protected.

They must also use all avenues available to them to mobilise support so that they are in a stronger position to argue their case.

"We have to converge into one common position.... We must make sure we use all our links or influences so that our views are heard," said International Trade and Industry Minister Datuk Seri Rafidah Aziz.

As it is, there is strong pressure, especially from the developed world, to influence the direction of multi-lateral trade talks, such as through the World Trade Organisation, by linking extraneous issues to international commerce.

The developed world is said to be trying to link trade with labour and environment standards, and this, if adopted, could put developing countries at a disadvantage, Rafidah told reporters here on Monday.

She was here to attend the Group of 15 annual summit that is set to begin today. Prime Minister Datuk Seri Dr Mahathir Mohamad, who arrived here on Monday, will head Malaysia delegation at the three-day summit.

The third WTO ministerial meeting in Seattle, US, in November is expected to present a challenge to the developing world as the developed world might be making another push to link trade with other issues.

"Developed countries want to assert their agenda in WTO ... if G15 members are firm and united in their stand, they can determine that extraneous issues are not forced on them," Rafidah said.

That notwithstanding, Rafidah said developing countries needed special and deferential treatment to enable them to remain competitive in global trade.

To arrive at a common stand, the G15 trade and economic ministers will hold a preparatory meeting before and during the Seattle meet.

Similarly, Asean will hold a trade and economic ministers' meeting next month to prepare for Seattle.

Rafidah said developing countries, which belonged to numerous groupings and fora, must use all available avenues to advance their position and mobilise support for a common stand.

At the WTO ministerial meeting in Singapore last year, she said, developing countries, speaking as one, managed to keep several new items off the table by being united.

Meanwhile, Foreign Minister Datuk Seri Syed Hamid Albar, who was also at the meeting, said the foreign ministers' meeting on Monday also discussed issues pertaining to the new international financial structure, terrorism and trade matters.

Syed Hamid said eight heads of governments as well as three deputy heads had confirmed that they would be attending the summit.

G15 groups Algeria, Argentina, Brazil, Chile, Egypt, India, Indonesia, Jamaica, Kenya, Malaysia, Mexico, Nigeria, Peru, Senegal, Sri Lanka, Venezuela and Zimbabwe.

Formed in 1989, the grouping aims to promote South-South co-operation and North-South dialogue. Its formation was driven by the desire to improve economic growth and prosperity in member countries, as well as in other developing nations.

Meanwhile, the leaders of the Group of 15 developing countries meeting

here beginning today are expected to call for speedier reform of the international financial system, whose weaknesses had brought about several financial crises.

Following the Asian financial crisis, and the subsequent contagion effect, there had been much talk about a new financial structure aimed at averting a recurrence of what happened in Asia in 1997 and in Mexico in 1994.

However, not much progress has been seen thus far.

The call for reform has much to do with instituting some form of supervision on large market players, such as hedge funds and speculators, who had been proven to have fuelled the Asian financial crisis.

Jamaican Deputy Prime Minister and Minister of Foreign Affairs and Foreign Trade Seymour Mullings said the view was expected to be reflected in the leaders' statement following their three-day summit here.

Earlier, he had chaired the G15 foreign ministers' meeting that set the agenda for the leaders summit.

Speaking to reporters here on Monday, he said the leaders were also expected to call on the World Bank and the International Monetary Fund to take note of the differences between countries when extending assistance and support.

(END)