

## Armed for and against globalisation

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largest oil, telecommunications, advertising, entertainment, computer, financial, and aviation groups, among others. They are preparing for globalisation and getting themselves duly prepared to invade the smaller corporations, especially those in developing countries, once these governments open up their borders. Earlier last decade, European economies had opened up their borders to one another to form an economic fortress that has produced another global currency and a united stand on all economic, political and social issues. Did they have an insider's knowledge about the coming of globalisation even then?

On the converse, most developing countries were lauding the dawn of globalisation without any good reason for doing so. When US officials tried to level the playing field for all countries developed and developing during an Asia Pacific Economic Cooperation (Apec) forum's summit in Bogor, Indonesia, some years ago, almost all the representatives from the other member countries were

literally opening up their arms to embrace the strange and very unfair concept. If Dr Mahathir had not stood up to argue with the promoters about the wisdom of the level playing field and question their real motives in wanting developing countries to go along with them, industries in many countries would not have needed the Asian crisis to flatten them. This many of their country's leaders had admitted to by the time Apec met the following year.

The problem is that many people and corporations in the developing world feel they should be ashamed of not being able to compete on equal terms with the industrialised countries. Governments of developing countries most of them were once colonies are taught to be apologetic for trying to safeguard their businessmen and protect jobs, for having to bail out companies during the crisis, and for introducing measures to protect their industries from outside competition or to protect their currencies and stock markets from free-market speculators. So they should accept globalisation and be-

TIRELESS is the Prime Minister, Datuk Seri Dr Mahathir Mohamad, in reminding Malaysians and Malaysian companies of the need to protect the country from the negative impact of globalisation. Largely, his crusade has garnered the support of the people, including the corporate citizens. There are still many out there, however, who choose to take for granted the external threats that will come with globalisation and some who choose to echo the brash opinion of Western scholars who have put down such diffident views on globalisation to paranoia.

There is nothing so mysterious about globalisation to be paranoid about. Almost everyday, Malaysians read about giant corporations in various industries in the developed world merging with one another to become even bigger and more formidable. Over the last couple of years, while developing countries in Asia, Latin America and Africa struggle with the direct and spillover effects of the Asian financial crisis, the Western economies were presiding over marriages to form the

have like a gentleman and allow the giants to come in and compete with the local minnows. So countries like Malaysia should open up their doors and free their borders to let capital flow in and out freely. And if the local banks are not competitive enough to match the giants or if the absence of tariff protection renders the national car too costly, so be it.

Globalisation takes us for fools willing to be swallowed by the big, bad wolf. Malaysians and Malaysian corporations should be thankful that their Government is not prepared to be taken for this ride. It has introduced a variety of measures to help the people and the industries to arm themselves against the threats of globalisation; the two-year extension for the liberalisation of the automotive sector under the Asean Free Trade Area is the latest achievement to this end. The local industry and corporate leaders, however, should be more forthcoming in trying to understand these threats and behave in a way consistent with the efforts to protect the country.