

# Foster trade, urges Mahathir

By 24 MAY 2000

By LOKMAN MANSOR

PRIME Minister Datuk Seri Dr Mahathir Mohamad says Asian and African businessmen should find ways to foster trade of goods and services between the two regions.

Opening the Third Asia-Africa Forum (AAF III) in Sungai Besi yesterday, he said the forum's approach thus far has been to exchange experiences between participants from both regions.

"We should now move forward to forge smart partnerships that will lead to a win-win situation and the betterment of all," Dr Mahathir said.

He said to bring Asia-Africa business relations to a higher level, there may be a need to introduce innovative approaches and dismantle existing barriers.

"We could also enter into more bilateral payment arrangements, consider inter-regional trade arrangements, intensify trade promotional efforts, use currencies other than US dollar to effect settlements and adopt counter trade," Dr Mahathir said.

He said it is essential that the two regions put their act together as the global economy now lacks justice and righteousness. The disparities in income and lifestyles between the rich and the poor have reached unprecedented proportions.

"Based on our own experiences recently, we do not share the optimism that globalisation will auto-

matically solve development problems. Unless the interpretations of globalisation and liberalisation are changed we think the poor will not only lose more but they would virtually be colonised again," Dr Mahathir said.

He said governments and international organisations must assume an active role in controlling and regulating the globalisation process, making it more socially accountable.

"Placing all the blame of the recent crisis in the East Asian economies on their governments is wrong. A

large part of the problem lies in the international structures, where there is an absence of mechanisms for fair, equitable and just global governance," Dr Mahathir said.

He said if developing countries act together they may yet be able to influence the processes which affect them.

"There are among the rich and the powerful some sympathetic elements who are either genuinely sympathetic towards us or can make common cause with us for their own vested interests. If we work with

them our clout would be leveraged," Dr Mahathir added.

He said while the rich countries of the North are ganging up while their corporations are merging to form huge specialised companies, developing countries in the South are greatly divided.

Dr Mahathir said this is partly because they do not seem to know how to work together, but mostly because the superpowers actively prevent them from cooperating.

"A glaring example is the proposed East Asia Eco-

nomic Community. The US made it clear that it does not approve and so it cannot be formed. Now the US is even opposing the setting up of the Asian Monetary Fund for fear it might undermine the International Monetary Fund and therefore US hegemony.

"Fortunately, we can still talk to each other as we are doing now. We can therefore learn from each other. Malaysia has learnt a lot by studying other developing countries and we stand ready to open our books to interested developing countries," he said.