

19/11/2000

New rules for economic success

ar Abdullah; Marina Emmanuel; Zuraimi Abdullah
SETTING the tone for the second leg of the Global 2000 Smart Partnership Dialogue, Prime Minister Datuk Seri Dr Mahathir Mohamad enlightened developing countries on how changes in economic and technological developments determine their economic success.

Changes in economic and technological developments, he said, were producing a new economy that was knowledge-driven and highly competitive.

"These facts are changing the rules of the game for the economic success of developing countries.

"As new technologies and production processes transform the economy, the future of individual nations becomes more dependent than before on the capacity to acquire, transmit and apply knowledge to everyday life, besides meeting international standards.

"Countries have to meet greater challenges in terms of agility, networking and learning and to arrange production to achieve quality, productivity and flexibility," said Dr Mahathir in his message in the dialogue's souvenir programme.

Globalisation and knowledge-driven economy, he said, had become the most discussed and debated issues in the present time.

The world, according to Dr Mahathir, was faced with significant shifts in the economic environment characterised by three major developments. Dr Mahathir said these were changing patterns of trade and competition, technological innovation and globalisation of information.

This increasingly borderless and information-driven economic growth is facilitated by radical new developments in information and communication technologies (ICTs) in particular brought about by the Internet.

Reminding Smart Partnership members on the consequences of globalisation, the Prime Minister said it created not only opportunities but also implied risks and uncertainties.

"We must not forget the lessons learnt from the recent economic crisis.

"The use of ICT-based applications has increased further the vulnerability of domestic financial markets to large swings in financial flows.

"The experience has clearly shown the negative effects of globalisation on countries where the costs far outweigh the benefits."

The Prime Minister hoped the series of Smart Partnership dialogues held since 1995 would continue to bring governments, business leaders, academia, media and unions to work in partnership to find ways and solutions to govern their countries, besides strengthening economic resilience to withstand future crisis.

The dialogue, he said, was an appropriate platform for them to look for new ideas and agendas to deal with the challenges of globalisation.

(END)