

# Dr M chides WTO over "unfair" free trade system

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By MERGAWATI ZULFAKAR

TOKYO: Datuk Seri Dr Mahathir Mohamad took the World Trade Organisation to task yesterday for failing to promote a free trade system that is fair to all.

"The WTO, which was formed under the aegis of the United Nations, is not about fair trade. It is about forcing down the throats of the unwilling the ideas of the rich," said the Prime Minister in his keynote address on *Globalisation, Global Community and the United Nations*.

He was speaking at the U Thant Distinguished Lecture series at the United Nations University here. The lecture series hopes to bring some of the world's greatest thinkers to Japan to address the 21st century's most pressing issues. Dr Mahathir is the first speaker.

The Prime Minister spoke at length on the perils of globalisation, citing examples of how it had affected the economies of countries once thought to be "tigers."

"The borders may be brought down so that the world can be more global. But we can be selective in terms of trade items, in terms of time and in terms of scale.

"There is really no need to bring down borders for everything and everyone at a fixed time, nor should there be zero duty for everything."

While admitting "there are provisions for these in the WTO agreements," he stressed that they were not good enough.

Later, during the question-and-answer session, Dr Mahathir, who is also the Finance Minister, said Malaysia had no plans to devalue the ringgit at the moment.

Dr Mahathir said that if the ringgit was devalued, the cost of imports would go up.

"The cost of exports might be cheaper but it will be cheaper for a short time and you will not get the full advantage of the percentage that you devalue," he added.

After a short time, wages would have to go up because the people would find that the cost of living had gone up because of the imported goods, he said.

"In the end, the advantage of devaluation is not there. Neither is there advantage from revaluation because while imports will be cheaper, exports will be more costly.

"So, we won't play around with the exchange rate just to stay competitive with our neighbours," he added.

Dr Mahathir, who is on a four-day visit, was also conferred an honorary doctorate by Meiji University for his dedication and commitment in promoting human resources development.

It was presented by university chancellor Prof Ken Kurita.