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G-15 'graduates' from talk shop to action station

ful Azhar Abdullah in Jakarta

EMERGING from the summit of the Group of Fifteen on Thursday, the leaders should be able to provide an answer to the question: "Have they succeeded in turning the summit from one which was rhetorical into something practical?"

The sceptics have always labelled the summit as a mere talking forum, and the absence of 12 heads of state or government substantiates the claim.

To make matters worse, the summit was timed during a most difficult political situation in Indonesia.

When the G-15 delegates arrived at the Jakarta Hilton International last week, many wondered whether the summit would be convened in place under a civil emergency.

Just a few hundred metres from the Jakarta Convention Centre, the venue, thousands of supporters of President Abdurrrahman Wahid camped near the compound of Indonesia's House of Representatives (DPR) which had planned a plenary session to decide whether it should propose that the People's Consultative Assembly (MPR) hold a special session to consider ousting the embattled Indonesian President.

The situation then indicated that emergency was imminent.

Indonesian police threw a security ring around the hotel to ensure the safety of delegates.

But the summit ended on Thursday with a measure of success.

Among the 19 member countries, Malaysia must have been the most satisfied. Over the years, it has fought for a level playing field in an increasingly globalised world and has warned of the adverse consequences of globalisation for developing economies.

At the 11th summit, the voice of concern was no longer confined to Malaysia. It came from Latin America, Africa and other parts of Asia.

"We have to unite, there are no other options," said Venezuelan President Hugo Chavez at the conclusion of the summit.

"The developed world is dominated by the G-8 countries who have, over the entire spread of two centuries, seen themselves as owners of other people's lands and countries, masters over other people and subjugators of other peoples' cultures and civilisations.

"For as long as this has lasted, the developed world has been to ready to regard all this a natural or divine order," said Zimbabwean President Robert Mugabe in a scathing critique.

All these remarks, according to Foreign Minister Datuk Seri Syed Hamid Albar, imply an acceptance of Malaysia's initiatives.

"What people like about our leader is when we come up with an idea which people think very wild... when the Prime Minister talked about globalisation, some people feel it was a bit off.

"But now everybody, whether developed or developing world, talks about the dark side of globalisation and ways to address these issues... it is good for Malaysia to be daring enough to propogate something which we see could happen," said Syed Hamid.

Speaking on behalf of Asia in the inaugural session Datuk Seri Dr Mahathir Mohamad called on developing nations to speak with one voice to urge developed countries to provide information and communication technology at more affordable prices as well as support infostructure development and financing.

"Acting individually, we have limited capacity in withstanding the mounting challenges confronting us.

"Acting collectively and in concert with each other, we can make a stand and even contribute to shaping a future in which the concerns and interests of developing countries are taken into account," he said.

At the end of the summit, the leaders echoed his call.

Abdurrahman also joined Dr Mahathir to call on the G-15 governments to speak with one voice.

As a result, the summit agreed to review the effectiveness of past policies to make it practical.

As for Malaysia, its crusade to reform the international financial architecture was boosted by the acceptance of its proposal to set up a panel of experts to study the possibility of reforming the international financial architecture.

The proposal was included in the summit's joint communique issued by the leaders.

"We emphasise that the reform of the IFA is long overdue and top priority should be given to measures by both the public and private sectors to prevent future crises.

"More meaningful and equitable participation, co-operation and consultation between developing and developed countries are required in the reform of the international financial system to ensure that the interests of all developing countries are safeguarded.

"While we welcome the advances made by national authorities in implementing reforms to strengthen their economic and financial systems as the best defence against future crises, we are concerned by the lack of progress in reforms in the system to address the risks and challenges of highly volatile capital flows."

The G-15 also called for highly leveraged institutions to be monitored and regulated to safeguard countries from the destabilising effects of their activities.

"While calling on the International Financial Institutions (IFIs) to provide realistic and flexible policy alternatives for all forms of emergency financing, they should acknowledge the rights of all countries to implement prudential measures aimed at ensuring financial stability.

"The reform should therefore include a review and complete overhaul of the rules of IFIs and regulatory agencies to ensure that their policies respond effectively and timely to the needs and specific circumstances of affected countries.

"Their provision of financial support should not result in shifting the burden from one group of developing countries to another," stressed the leaders in the communique.

But Dr Mahathir refused to acknowledge the success as a Malaysian success, in that the Government's wish to see such reform is now nearer to reality.

This year's summit was more focused than previous ones. It ran on the theme of bridging the gap in information technology between the developed and developing countries.

The summit took note of the challenges faced by developing countries to promote ICT.

They include the billions of people who still live untouched by the digital revolution.

In developing countries where approximately 84 per cent of the world's population lives, the ownership ratio of personal computers per 100 inhabitants is 2.3 for medium income countries, and only 0.1 for low income countries.

Furthermore, developed countries today have 321 internet service

providers per 10,000 people compared to just six ISPs per 10,000 people in developing countries.

Whilst in the United States roughly one in three persons uses the Internet, in South Asia it is only one in 10,000.

The result is that only five per cent of the world's population can claim connectivity and the vast majority of these are from the developed countries.

Therefore, the G-15 member countries made a demand for international co-operation to bridge the digital divide in developing countries.

Unless there was a common vision, they said, the knowledge revolution could increase economic inequalities among and between peoples, countries and regions of the world.

"We call upon the international community to bear these aspects in mind in dealing with ICT issues".

In the light of the challenges and opportunities presented by the digital era, it agreed to set up a G-15 Task Force on ICT to work out the modalities of a framework of co-operation on ICT, including the proposal to establish a G-15 online resource centre.

Obviously, unlike at other G-15 summits, the Jakarta summit was more focused.

Dr Mahathir's remark at his Press conference at the conclusion aptly summarised the 11th summit. "The Group of Fifteen has emerged as a strong organisation that is able to make presentations and protest" against decisions of the developed countries that affect the developing nations.

"The interest among developing countries has grown and more want to join in because they feel it is a grouping that is able to air the grievances of the developing countries.

"At the moment, there is no way we can voice our views on decisions made by the G-7 or G-8 which affect developing countries adversely.

"We have no way to give our views and therefore, G-15 has become a strong organisation that makes it possible for us to make our presentation, protest or express different views on matters like World Trade Organisation," he said.