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Abdullah-Globalisation

GLOBALISATION FAILS TO UPLIFT WORLD POPULATION'S LIVELIHOOD, SAYS DPM

KUALA LUMPUR, April 7 (Bernama) -- Globalisation, meant to be a positive sum game for all nations where all will benefit from open market, liberalisation, deregulation and technological changes, has failed to uplift the livelihood of the majority of the world's population, said Datuk Seri Abdullah Ahmad Badawi.

The deputy prime minister said globalisation desperately needs a human face where opportunities and benefits of it need to be shared more widely and evenly.

"If nothing is done to address the increasing disparity, globalisation will create more threats to human security and well-being," he said when launching the Youth Summit 2001 at Universiti Malaya here today.

He said although globalisation had its advantages, it had brought grave disparity and inequality and now it seems as though the haves are benefiting more than the have-nots.

By 1997, the income gap between the fifth of the world's population living in the richest countries and the fifth living in the poorest was 74 to 1, up from 60 to 1 in 1990 and 30 to 1 in 1960.

By the late 1990s, the fifth of the world's population living in the highest income country had 86 per cent of the world's gross domestic product (GDP) while the bottom fifth had just 1 per cent.

"The inequality and the gulf in income and opportunity continues to grow and we are now seeing the emergence of a digital divide between the people with access to ICT and those without it," he said.

He said the unfettered international capital markets that led to the economic devastation in Asia in 1997 leaving a trail of socio-economic damage had yet to be repaired.

"As a result, political stability that had been a hallmark of the Southeast Asian region can no longer be taken for granted," said Abdullah, who also had a 20-minute dialogue session with over 500 students who attended the summit.

"Global deprivations are so widespread that I fear that in some regions of the world these problems are time bombs that are ticking loudly and yet being ignored by the rich and the powerful," he said.

He said it seemed like the world was blind to the nearly 1.3 billion people who do not have access to clean water; or to the one in seven children of primary school age who is out of school; or the 840 million people that are malnourished; or the 1.3 billion who live on incomes of less than US\$1 a day.

Closer to home, Abdullah said Malaysia was also experiencing another peril of economic slowdown due to its dependence on the US economy as an export destination and key trade and investment partner.

"We are bracing ourselves for a hard landing of the US economy," he said, adding that the prospects in the US along with the sluggish Japanese economy had forced the government to readjust the country's economic outlook for the year and prepare for additional government pump-priming to stimulate domestic investments and consumptions.

"Yet again this shows that in an increasingly interdependent and interrelated world economy we cannot isolate from what is happening...whether we like it or not, and whether we have control over it or not, developments around the world will affect us," he said.

The deputy prime minister said the answer to combating globalisation

lies on how Malaysia manages the impact of globalisation on the country and how it responds to it.

He said one example of how the country intends to wade through the waves of globalisation was contained in the recently-launched third Outline Perspective Plan (OPP3).

On Monday, Prime Minister Datuk Seri Dr Mahathir Mohamad tabled the OPP3 in parliament. It forms the strategic direction for managing the Malaysian economy over the next 10 years.

"As detailed in the plan for Malaysia to remain competitive in an increasingly globalised world, great emphasis will be placed on the development of a knowledge-based economy.

"Second, the fruits of economic development will mean nothing if we do not build a united society based on justice, fairness and equity," Abdullah said.

He said in creating a knowledge-based society, the country must ensure the quality of students at higher learning centres instead of merely being obsessed with the numbers that were put through universities.

"If what we are doing is producing a critical mass of mediocrity, our endeavours in developing a K-economy will come to naught," he said.

Abdullah said if government initiatives to improve educational opportunities over the next 10 years were met with the same lacklustre performance of the students, especially Malay students, then the younger generation would have no one to blame but themselves.

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