

01/02/2001

PM: Plan globalisation (HL)

Patvinder Singh

KUALA LUMPUR, Wed. - Globalisation, a free-market concept that calls for a borderless world, must be planned carefully and for it to succeed, the planning must involve everyone from every part of the globe, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He added that the concept must be for the good of everyone and proven to be so - it must therefore be implemented slowly with the biggest effort directed at the least developed parts of the world.

"This is globalisation in the service of mankind. Globalisation must serve us and not we humankind serve globalisation," Dr Mahathir said when opening a conference here with the theme "International Consultation on Globalisation".

The title of his speech was "Globalisation at the Service of Mankind or Mankind at the Service of Globalisation."

The three-day conference is organised by the World Evangelical Fellowship and sponsored by the National Evangelical Christian Fellowship Malaysia.

About 100 participants from 18 countries are attending the conference.

Dr Mahathir said globalisation was on everybody's lips these days and that until the protests in Seattle last year, it was assumed that globalisation was unstoppable, inevitable and definitely the answer to all social, economic and political problems.

"Globalisation is obviously a great idea whose time has come.

"In a world where jet planes and worldwide telecommunications have reduced it to a global village, it is inevitable that globalisation becomes logical and even unavoidable."

Dr Mahathir said that after capitalism had proven to be superior to egalitarian socialism and communism, new ideas were put forward to create "a new heaven on earth."

"This new heaven will be built by doing away with regulations, by an absolutely free market, by breaking down the boundaries of nations and creating a single global entity."

Dr Mahathir asked if people could be sure that globalisation would not go the way of the many great ideas of the past.

"Half a century down the road, or maybe a century, will we be still lauding and practising absolute capitalism in a globalised world? he asked

"Will not capitalism bring about the same misery that will force people to rebel against it and probably overthrow it as violently as the previous great ideas and their proponents were rejected and violently discarded?"

The Prime Minister said these were the things to be thought about before globalisation was espoused too enthusiastically.

He said in a way Malaysia had globalised earlier than most countries, when it was so confident that the free movements of capital was good for the country, that it allowed the Ringgit to be freely traded on the foreign exchange market.

Dr Mahathir said countries like Malaysia which in the past had welcomed the flow of foreign capital but which suffered badly when the Malaysian Ringgit was devalued could not but rethink the benefits of globalisation.

He called on the World Trade Organisation (WTO) to allow a degree of regulation to be instituted by member countries when the competition is not between equals.

"Certain practices must be allowed. There is no necessity to have only a

few big companies. Let there be many companies, big and small. Let them compete with handicaps. If you can accept it in golf, why not in trade?" he asked.

Dr Mahathir also addressed the question of workers and called for a free flow of human capital where countries with excess workers should be permitted to export them to countries short of workers and plagued with high cost of labour.

"The productivity of the world will certainly improve. And this should be good for globalisation."

He said there was a need for time to effect the changes required by globalisation.

"Change destabilises and rapid change destabilises most of all. We should allow ourselves more time to change into a globalised economy," Dr Mahathir said, adding that those who were ready and rich should change first and the others could follow according to their capacities, pausing to make corrections, learning from those who had changed earlier, adjusting and consolidating.

He said the world of today was very rich because of a combination of natural resources and the technologies that man had developed.

"There is really no reason why, in a caring world, anyone should be poor. Africa, Central Asia, South America and South Pacific can easily be enriched by investing the huge surplus of capital in developmental and productive capacities," Dr Mahathir said.

He said if the world was to be a global entity then there should not be abject poverty in some parts and "obscene wealth" in other parts and that all must be reasonably well off.

Dr Mahathir added that globalisation must involve the whole world but when it was talked about only those countries with developed or developing markets were thought of.

"We think of opening up existing markets. We think of maximising our profits. But we are really not thinking about the world, about the globe which encompasses the familiar and the unfamiliar and inaccessible areas. Yet what is more reasonable and logical than to think of globalisation which involves the whole world.

"It is not too far-fetched an idea. We only have to change our mindsets. And if we accept globalisation to mean the development of the whole world by the international community, slowly at first but more rapidly later we can really become a global community, a globalised world."

He called for market principles to be retained and for the free movement of capital and labour that was not to the detriment of the countries involved.

(END)