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Uganda-Museveni

UGANDAN LEADER CRITICISES G8 ECONOMIC POLICIES

By: Mikhail Raj Abdullah

KAMPALA, Aug 19 (Bernama) -- Uganda President Yoweri Museveni has criticised the Group of Eight (G8) industrialised countries for meeting every year to "conspire how to rule the world" with selfish policies which only enriched themselves at the expense of the Third World.

As a consequence of such detrimental economic policies against developing countries, he said South-South countries were forced to meet every year "not to conspire to rule, but just how to survive in the world," he said when opening the Global 2001 Smart Partnership International Dialogue here.

Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad, who is leading a sizeable Malaysian delegation here, was among the more than 600 participants at the opening of the annual dialogue which is being held for the first time in East Africa. Southern African countries used to host the dialogue.

The Malaysian delegation includes Energy, Communications and Multimedia Minister Datuk Amar Leo Moggie, Rural Development Minister Datuk Azmi Khalid, corporate chiefs, top government officials, academics, and media practitioners.

The smart partnership dialogue, premised on the policy of "prosper thy neighbour", is a brainchild of Dr Mahathir and was first discussed at the Langkawi International Dialogue in 1995.

Since then, the idea has caught on in Southern African countries with delegates from both the public and private sector brainstorming in an informal setting to see how they could best co-operate in a "win-win" situation.

Museveni said despite their rhetoric for global trade to be liberalised, European countries, for instance, still adhered to protectionist policies as evident by their provision of huge subsidies for the agricultural sector.

This has hampered agricultural countries such as Uganda from exporting their produce to Europe and other developed markets, he told his audience at the Speke Resort in Munyonyo Village, some 15 km from the Ugandan capital.

"Subsidies must be removed for they are the biggest destabilising factor to trade and foreign direct investment," Museveni added.

By not being able to sell to the rich countries, African nations would be hard-pressed since they produced more or less the same goods and this restricted their trade with each other, he said.

This also discouraged investors from coming to Africa, said the Ugandan president, who since 1986 has brought prosperity to his country with his pro-business policies.

Museveni, however, said that on their part, developing countries ought to increase their attractiveness to enhance foreign direct investment, which was the theme for this year's dialogue.

He cited how the economies of Malaysia and Uganda were almost alike in the 1960s, but today Malaysia's per capita income had risen to US\$5,000 (RM19,000) while that of Uganda was less than US\$400 or less.

"What happened (to Uganda)?" he asked.

Museveni said the difference stemmed from the fact that Malaysia understood the importance of private sector-led growth with the government providing strong back up with pro-business policies which encouraged

foreign direct investment.

"But in Uganda and elsewhere in Africa, nationalisation and governments which didn't understand business drove away investors," he said.

Also, "if you disappoint old investors, how are you going to attract new ones?" he asked as he spoke in reference to the exodus of Asian entrepreneurs from Uganda during the regime of deposed General Idi Amin between 1971 and 1979.

Museveni is now actively encouraging these Asian entrepreneurs, mostly of Indian origin, to return to Uganda as well as undertaking efforts to woo investors from elsewhere.

Commending multi-racial Malaysia for introducing socio-economic policies which benefited all races, he said it was the practical application of the smart partnership concept to resolve racial tensions of the late 1960s.

"Why do we need to have winners and losers? Why can't we have winners and winners at the same time and avoid a situation that when there is a winner, there must be a loser," Museveni asked.

The Ugandan leader also called on delegates not to treat the gathering as a trade fair but take advantage of the smart partnership dialogue to establish national, regional and global networking, which in the long run would be beneficial for business.

"Don't expect to make money this weekend," he cautioned.

Other leaders attending the dialogue are South Africa's President Thabo Mbeki, Tanzania's President Benjamin Mkapa, President Bakili Muluzi of Malawi, Mozambique's President Joaquim Chissano, Namibian Prime Minister Hage Geingob and Sudan's President Gen. Omar el-Bashir.

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