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Mahathir-Workers

DON'T SACRIFICE WORKERS FOR THE SAKE OF GLOBALISATION, SAYS PM

KUALA LUMPUR, June 3 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today that globalisation should not lead to massive unemployment as companies and financial institutions merge to face this increasing phenomenon.

He said that the trend towards giant corporations and banks merging and acquiring to become even bigger seemed to indicate that size and strength would determine success in business.

Everyone knew, he said, that being big might contribute toward efficiency and lowered cost but the savings might come from reducing work forces and consequently unemployment for many.

"We have a need therefore to think very carefully about the present interpretation of globalisation. We do not want to see massive unemployment in a globalised world of giants," he said when opening the inaugural Union Network International-Asia Pacific Regional Organisation (UNI-APRO) regional conference here.

Dr Mahathir said that even if the cost of products were lower because of efficiency, it would still be inaccessible to people who had lost their jobs in the interest of efficiency.

On the other hand, the prime minister said that when unions of workers became powerful, they often do not think deeply about the exercise of that power as they demand higher wages regardless of the rising cost of products.

He said that when new countries move in with lower cost labour, the products of the old industrialised nations become uncompetitive, resulting in loss of market share.

Apart from contributing towards higher cost of products, he said, demanding higher compensation for work done would bring about higher costs of living, and this, in turn, would affect workers' purchasing power.

"Higher wages without higher purchasing power is meaningless," he said.

Dr Mahathir also said that it would be advisable to resolve all employer-employee disputes through arbitration by third parties and not through confrontations and tests of strength.

Elaborating on globalisation, the prime minister reiterated the need for this new world to become more equitable in terms of the distribution of wealth among all parties.

Dr Mahathir said that the wealth of the whole world should be redistributed equitably by resorting to justice and fairplay at the negotiation table with everyone accorded equal and proper representation and rights.

"It is important that this distribution be done not by robbing Peter to pay Paul, not through violent revolution and the impoverishment of the rich in order to achieve equality with the poor or to impoverish further the already poor," he said.

In this connection, he said that UNI must help in the reshaping of the interpretation of globalisation so that the inequities between the various classes and nations were replaced by systems which would ensure fairness and justice for all.

Some 500 delegates representing two million members from the Asia-Pacific region are attending the three-day conference themed "Jobs and Justice in a Global World".

UNI, the global union federation for skills and services, was launched

on Jan 1, 2000 following a merger of four global union bodies.

With some 15 million members worldwide, UNI aims to give union members a more effective voice in dealing with multinational corporations, governments and international institutions.

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