

STAR 28 JUL 2003

# Return to tax barriers may be necessary, says Dr M

**LANGKAWI:** It may be necessary for nations to return to the old and tried ways of protecting their economies behind tax barriers owing to the negative impacts of globalisation, Datuk Seri Dr Mahathir Mohamad said.

The Prime Minister said there had been far too many attempts to change the way things were done in the belief that the world would be a better and richer place to live in.

"We have the borderless world, globalisation, the World Trade Organisation, the free deregulated market and a whole lot of new systems, which we have to accept or suffer denunciation by the controlled media of the west and even trade sanctions," he said here yesterday.

Dr Mahathir said that change was disruptive and destabilising, adding that the unscrupulous took advantage of the ignorant and the weak in undergoing change.

As an example, he cited the rogue currency traders who had destroyed the wealth of the economies of East Asia.

Dr Mahathir said that even strong economies had found the changes and unethical activities so disruptive and damaging that they were unable to recover.

He said that as economic recovery had become extremely difficult, it might be necessary to return to the days when nations protected their economies behind tax barriers.

"But the scenario and the mindset of the world have changed so much that they have to be taken into consideration in planning and execution of a strategy for recovery.

"In any case, the weak economies are so vulnerable that unless they consolidate their meagre resources, they will not survive and recover," Dr Mahathir said.