

09 JAN 2003

Mahathir-Trade

CONTINUE THE FIGHT FOR FAIRER TRADING SYSTEM, SAYS PM

PUTRAJAYA, Jan 9 (Bernama) -- Datuk Seri Dr Mahathir Mohamad today summoned developing countries to keep up the fight for a fairer global trade while having to compete in an unfair trading environment now.

The Prime Minister said that it was going to be difficult but "that is how life is".

"We have to resign ourselves to this, work hard and make use of whatever competitive advantage that we may have," he said in his keynote address at a seminar organised by the London Business School here.

Dr Mahathir criticized the current scenario of global trading where there were no distinctions between the competitors involved.

"The essence of competition is that the competitors possess certain qualifying qualities. Cities do not compete with villages, nor adult athletes with children. To compete fairly, the competitors must belong to distinct categories," he said.

However, Dr Mahathir said that according to the present rules of competing, there were no such distinct categories as the smallest and poorest nations must compete with the biggest and richest nations.

The developed countries, he said, did not develop and become as prosperous as they were by practising free trade, borderlessness, deregulation and non-protectionist policies.

"What they did when they were as undeveloped as the developing countries of today was quite different from what we are told is the formula that we must accept in order to become developed," said Dr Mahathir, a vocal critic of globalization as propagated by the West.

The Prime Minister said that if all the developing countries stood together, they could prevent the rules in favour of the rich and strong from being adopted by the World Trade Organization (WTO).

But, he told his audience comprising government and corporate sector leaders that most developing countries were in no position to oppose the rich countries as the former needed money or help from the latter.

At a dialogue session later, Dr Mahathir said that Malaysia had learnt its lesson from the 1997 regional financial crisis but he was not sure whether it was the same with the rest of the world.

He said that it was not just about fixing the exchange rate or controlling capital flows to address the problems then as it also involved having the skills to micromanage the economy.

To a question, Dr Mahathir said that there was a lack of interest in discussing how to manage a globalized world in an in-depth manner and that, in such exchanges, the voice of small and developing nations must not be ignored.

Queried on the emergence of China, the Prime Minister said that it was obvious that the country with 1.3 billion people would corner labour-intensive industries.

Nevertheless, Dr Mahathir said that Malaysia had to find its foothold in the Chinese market by creating its own niches in sectors like information technology and knowledge-based industry.

Turning to the question of safety in Malaysia, the Prime Minister said that fears about travelling here were unfounded as shown by the record figure of more than 13 million tourists the country received in 2002.

"Last year, we were told that Malaysia would be the next Bali but there was no Bali incident (here)," he said in reference to the Oct 12, 2002 bomb

blasts on the Indonesian resort island which killed close to 200 people, mostly tourists from Australia.

To further demonstrate the peaceful condition of the country, Dr Mahathir said that hundreds of thousands of people including foreigners attended the mass celebrations of Hari Raya and Christmas as well as when ushering in the New Year.

He also recounted a story where a Chinese friend of his provided tickets to Australians to travel to Malaysia after they had heard negative reports about the safety level in the country.

"When they came, they changed their mind," he said and urged local businessmen to invite their friends from abroad to visit Malaysia.

"Normally, they (foreigners) change their mind during the ride between the KLIA (KL International Airport) and the capital KL," he said.

-- BERNAMA

MAM SM AHH RM