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Mahathir-Tax

DR MAHATHIR SUGGESTS WORLD CORPORATE TAX TO OVERCOME FAMINE

KUALA LUMPUR, Nov 29 (Bernama) -- Former Prime Minister Tun Dr Mahathir Mohamad today suggested that the United Nations (UN) and the World Trade Organisation (WTO) introduce a world corporate tax to alleviate poverty and solve the famine problem.

He said the United Nations should set up a tax collecting agency as a part of their system and to administer the funds for the purpose of building needed infrastructures, particularly in agriculture, in the poor countries.

"The UN and the WTO must put this tax in their agenda. Taxing the rich to help the poor is morally desirable. But this tax will also enrich the rich. Therefore, it is an equitable tax," he said in his keynote address at the 32nd Session of the Food and Agriculture Organisation (FAO) Conference at the Mc Dougall Memorial Lecture in Rome today. A copy of his speech was faxed to Bernama.

"We are living today in a world of great wealth and plenty. Never has there been more of everything in the human history. There is enough to feed, cloth and house every single one of the six billion plus souls in the world.

"The problem is that the wealth and plenty are not evenly distributed. There are places where food is so plentiful that people are dying of over eating and gross obesity even after throwing away much as waste," he said.

He said there were places where people never had enough to eat to sustain life, where some would die of starvation and at times where famine would strike.

"We have become hardened to the sufferings of other people. Yet we and our billions and our huge food surplus can wipe out this scourge completely and forever," said Dr Mahathir.

Instead, the rich were almost obsessively concerned with making more billions by prising open the poor countries so that they might exploit them more fully, he said.

"Singapore, Doha, Cancun are about enriching the already rich, with just a passing thought of a possible spill over for the poor. Nothing that is specifically concerned with the alleviation of the poverty of the poor is on the agenda," he said.

Dr Mahathir said it was time that the poorer members of the WTO insisted that a global corporate tax be a part of the conditions for opening up their markets.

He also said in most countries, the rich and the businesses paid income and corporate taxes as the rich gained their wealth from society.

Dr Mahathir said one of the ways that the corporate tax could be collected was via Foreign Direct Investments (FDI) such as from the Malaysian experience where the principal objective was to create jobs for the people.

He said the foreign industries did such an excellent job that Malaysia now had full employment and had to take in foreign workers.

"If Malaysia's experience is anything to go by, than we can assume that a prosperous world could be a good market for the rich countries," he said.

Dr Mahathir said the taxes the FDI paid should really be regarded as an investment for future, and investment for a more stable world and an enriched market.

"I first brought it up in Hainan, China before an audience of

businessmen, officials and intellectuals. The response was utter silence," he said.

-- BERNAMA

AT AZZ AO