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G8-EVIAN

FRANCE TO PUSH FOR RE-STARTING GLOBAL ECONOMIC ENGINE AT G8

By: Yong Soo Heong

EVIAN (France), May 30 (Bernama) --- Come Sunday, this picturesque lakeside town on the bottom of the ski slopes of the French Alps known for its fresh drinking water, will host the Enlarged G8 Summit, a gathering of the world's eight leading industrial countries and 13 leaders from developing countries.

The G8 groups France, the United States, Japan, Britain, Canada, Italy, Germany and Russia and they collectively account for the bulk of the world's wealth.

This year's summit has taken on a new dimension as French president Jacques Chirac has used his prerogative as host to invite more leaders than normal to speak on many important issues that affect countries as well as their people.

Chirac hopes that the Evian Summit will be the turning point towards more constructive and concrete action in terms of uplifting the well-being of people, especially in developing countries, and stirring the G8 countries into action towards spurring greater economic activity.

Such endeavours will inevitably bring about the question of globalisation, a subject which some countries view with suspicion as it could open the floodgates to a host of problems in far greater numbers than the opportunities available.

But to mitigate such doubts and bring about greater consensus on how best to tackle the issue, he has carefully chosen his guests so as to have as wide a representation as possible. Hence, he has invited Prime Minister Datuk Seri Dr Mahathir Mohamad, who is also Chairman of the 116-member Non-Aligned Movement.

Dr Mahathir, noted for his strong views on globalisation, had always stressed on the need to ensure that developing countries do not get swamped under by developed countries in the name of globalisation.

Other non-G8 leaders who will be at Evian include South African president Thabo Mbeki, Chinese president Hu Jintao, Indian prime minister Atal Bihari Vajpayee, Egyptian president Hosni Mubarak, Moroccan King Mohammed VI, Mexican president Vicente Fox Quesada and Brazilian president Luiz Inacio Lula da Silva.

Other key personalities attending include United Nations Secretary-General Kofi Annan, World Trade Organisation Director-General Supachai Panitchpakdi, International Monetary Fund managing Director Horst Kohler and World Bank President John Wolfensohn.

The G8 is held every summer in either June or July to enable the leaders of the world's leading economies to discuss current world issues.

This is the fifth time that France is hosting the G8 summit.

The first two were held near Paris 1975 (Rambouillet), 1982 (Versailles) while the third and fourth were held in Lyon (1989) and Paris (1996).

The G8, which started as G7, was a French initiative in 1975 when then President Giscard d'Estaing invited leaders from Germany, Britain, Japan, the United States and Italy to an informal and frank gathering to discuss world issues at a time when the world was gripped by the oil crisis.

Canada was admitted as a member in 1976 and the grouping became G8 when Russia came on board in 1998.

At Evian, Chirac is nurturing the hope that G8 leaders would be able to send a strong message of confidence on a number of areas like creating the

right conditions for economic growth, achieving sustainable development and having the ability to meet the threats of terrorism and proliferation.

In his comments over the past fortnight, Chirac said there had been substantial slowing down of the global economic growth over the last two years, which had also been compounded by international uncertainties.

The slowdown had affected all major economic regions and in most developed countries, employment has risen, fiscal deficits were growing, large corporations and small businesses have fallen on hard times and consumers were worried.

This, he stressed, was also harmful for global growth and for development in the South or developing countries.

This view was also shared by Dr Mahathir when he hosted a reception for German Chancellor Gerhard Schroeder in Putrajaya recently when he said the "the state of the world has been steadily deteriorating and the economy of the world is very sluggish."

While Chirac is espousing such noble aims like alleviating the hardship of the impoverished and improving their lives through better health care and job prospects, many are watching this year's summit with greater interest as it would be the first time that the leaders of the Western powers are meeting together since the Allied invasion of Iraq led by the United States and its number one ally, Britain, in March this year.

US President George W. Bush will be attending the summit along with Russian President Vladimir Putin, British Prime Minister Tony Blair, Canadian Prime Minister Jean Chretien, Japanese Prime Minister Junichiro Koizumi and Italian President Silvio Berlusconi.

While France, Germany, Russia and had called for restraint as far as military action on Iraq was concerned, the US and Britain were resolute in their decision to launch an invasion to find the weapons of mass destruction in Iraq and effect a regime change to oust President Saddam Hussein whom they claimed had perpetrated terrorism and had links with the Al Queda terrorist cells.

Schroeder had denounce the American and British action as "military adventure" while Chirac had said that "war is always an admission of defeat...the worst of solutions."

Even Dr Mahathir had said that the invasion on Iraq was unwarranted and had praised France, Germany and Russia for still believing in the United Nations and international consensus.

With the latest hint from US defence secretary Donald Rumsfeld that no weapons of mass destruction could be found in Iraq, it would appear that the "coalition forces" of the US and Britain had undertaken a military adventure as described by Schroeder.

But now that the dust has settled, Chirac wants to mend the major trans-Atlantic rift between the Western powers, cast the recent difference of opinions aside and move on to more important issues like economic development when he said that the conditions were now right for the world economy to recover.

In an effort to demonstrate that it was time to move on, Chirac said, "After the difficulties of the past months, the Evian Summit is an opportunity to show that nations can and will get along and act together for the good of humanity through their economic growth." -- BERNAMA

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