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MAHATHIR-GLOBALISATION

DR M SAYS BENEFITS OF GLOBALISATION OVERSTATED, FACTS SAY OTHERWISE

By: Mikhail Raj Abdullah

MBABANE (Swaziland), Aug 13 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today laid bare some facts of globalisation which clearly showed that the unbridled opening of markets only benefitted the rich countries at the expense of the poor.

He said the spread of global markets had widened the gap between the developed and under-developed countries where the wealth of one percent of the world's population was equivalent to the poorest 57 percent.

"Half of the world's population live on less than US\$2 a day, more than one billion on less than US\$1 a day, while 20 percent of those living in high income countries account for 86 percent of the world's private consumption expenditure," he said in his keynote address at the opening dinner of the Global 2003 Smart Partnership Dialogue.

Dispelling claims by western countries that a free market would bring wealth to the poor through a trickling down effect, Dr Mahathir said that "what we are seeing today has been the downward spiral of wages, with health and safety standards being given mere token regard."

"We are definitely competing ... competing among ourselves in this race to the bottom," he said.

"After all, global capital, which is answerable to no one, can jump in and pull out of any country without concern for the dislocation the host countries face."

The Prime Minister also hit out at the reluctance of rich countries to help the poor, saying that they only paid taxes in their own countries on the wealth they made.

"They (the rich) now make profits by exploiting the whole world, but they pay no taxes to the world to be expended to the poor in the poor countries," he said.

Dr Mahathir said that more than two billion of the six billion inhabitants of the world live in abject poverty suffering from all kinds of diseases and dying like flies.

He said that rich countries no longer give aid out of the 0.7 percent of the gross domestic product (GDP) they promised.

Dr Mahathir said the rich did not want to hear about being taxed on their wealth that could be used to help the poor and even their media would not even publish the idea, much less support it. -- BERNAMA

MR TJK SHY