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MAHATHIR-ASIAN

ASIAN COUNTRIES MUST OVERCOME DIFFERENCES IN SEARCH OF WIN-WIN SITUATION

KUALA LUMPUR, April 24 (Bernama) -- Asian countries must overcome their differences and come together in the search for a win-win situation, former Prime Minister Tun Dr Mahathir Mohamad said today.

Dr Mahathir said the poorer countries within Asia must be given a hearing by the more prosperous one in a purely Asian forum and their plight taken up together in the international fora, in particular the World Trade Organisation (WTO).

"As we all know many of the poor countries are not even members of the WTO. The Asian countries which are members must champion their cause," he said at the Boao 2004 Annual Conference held in Hainan Province, China. His text of speech was made available here.

Dr Mahathir said if Asian countries speak with some semblance of unity then only are they qualified to talk about a win-win formula for Asia.

He said Asian countries especially members of the WTO cannot claim to be working in the interest of Asia if they promote only their country's interests or only their region's interests.

"It will not do if the Asian members of the WTO for example, speak only for themselves, each with its own interest at heart."

Dr Mahathir also said that the use of force including economic sanctions should not be an option in order to get some countries to comply, as it might take time for some countries to adjust and accommodate the so-called universal ideas about free trade, good governance and transparency.

Furthermore, he said those who are developed enough to play a role in the interest of Asia as a whole should not be diffident about speaking up for those who are not represented to ensure that right from the start there would not be inequitable distortions.

"If our objective is to achieve a win-win result for Asia, we

must ensure that the poor Asian countries also gain from our efforts," he said.

Dr Mahathir said Asia must not shut itself, must be open and must be prepared to trade and to invest and in turn receive foreign investment. But at the same time, they must overcome the inability to speak with one voice.

The often controversial statesman said the people of Asia were very different ethnically, culturally and in terms of the stages of their development, where some are developed and sophisticated while many are poor and undeveloped.

"Trade should be equitable, should result in a win-win situation, should enrich everyone of the participants. If Asia is to avoid losing out again, then Asia must play a role, in shaping the character of world trade in the future," he said.

He said the proposed East Asia Economic Group (EAEG) was meant to bring the countries of Northeast and Southeast Asia together amid a common interest in trade and economic development.

Thus, he said the EAEG is therefore a good group to represent Asia in the shaping of world trade and international policies presently.

Dr Mahathir said countries like Malaysia and Singapore had always been open to world trade and investments and clearly, they have prospered because of this.

However, he said while foreign investments are encouraged, countries should be allowed to retain whatever competitive advantages they may have while protecting their immature industries.

He believed that investments too have to be regulated and locally owned industries must not go under as a result of foreign investments.

Dr Mahathir said another matter that needs the attention of Asian countries concerned with achieving a win-win result from market opening is the problem of trading currency.

"Today we use the US dollar and we value our currency against the dollar. The dollar has been depreciating badly, being 40 percent devalued against the Euro and somewhat less with the yen."

He said as the US dollar devalued against other currencies, the

United

States actually enjoys economic growth as US goods become cheaper.

"The poor countries keep their reserve in US dollar and they suffer losses when the US dollar devalues and they suffer losses when the US dollar revalues against their currencies."

Dr Mahathir said the opening up of Asian and other countries exposes them to losses whatever happens to the US dollar.

"It is time we consider having a special trading currency for Asia if not for the whole world," he said. -- BERNAMA

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