

The IX Summit Of The G-15

Montego Bay, Jamaica 10 February 1999

It gives me great pleasure to be here at this beautiful beach resort of Montego Bay. On behalf of the Asian member states, let me congratulate you Mr Prime Minister on your assumption of the Chairmanship of the Group of Fifteen. I would also like to convey our heartfelt thanks to you for the warm welcome and generous hospitality accorded to us since our arrival in this beautiful island. We are grateful to you for your efforts to ensure that this Summit will be a success.

2. On behalf of the leaders of the Asian member states, I would also like to welcome Her Excellency President C B Kumaratunga of Sri Lanka to this Summit Meeting. We sincerely believe that Sri Lanka's admission into the Group of Fifteen will further strengthen the Group. I am sure Her Excellency will have many ideas to contribute towards this end.

3. This Summit in Montego Bay comes at a very crucial moment in history. We are now at the threshold of a new century and a new millennium. If what is happening to the world today is any indication, the new century is going to bring a lot of challenges for us in the developing countries. We must therefore take stock of things and examine the trends and the systems which are being foisted on us in a unipolar world.

4. First the unipolar world itself. We had welcomed the end of the Cold War believing that peace and freedom would now be ours. But unfortunately we find that losing the option to defect to the other side has deprived us of the little leverage that we had in defending our interests.

5. The defeat of Communism and Socialism means that only one politico-economic creed is allowed. When Communism and Socialism were contesting with Capitalism, the latter modified itself in order to be more acceptable. Today capitalism finds little need to compete for acceptance. As a result the worst aspects of the system have been bared. Anything done in the name of capitalism must be accepted on pain of being labelled a heretic.

6. In East Asia we experienced the new capitalism in the form of the free flow of capital across our borders. We had welcomed foreign capital in order to boost our growth. We still do but now we realise the damage to our economy when that capital is suddenly withdrawn. From being miracle economies we have now become impoverished nations.

7. The great Asian tigers are now no more. Reduced to whimpering and begging, they are but a shadow of their former selves. Their people are starving, rioting and looting. Their Governments have been overthrown and their political system so undermined that they cannot govern effectively. They have to accept foreign direction of their internal affairs.

8. But the assault on them is far from over. Whether it is planned or not their impoverishment has exposed them to the danger of losing their independence. A

condition for getting aid from such institutions as the IMF is to open up their economies to unrestricted penetration by foreign businesses. They may not protect their indigenous banks and industries. These may be taken over or shouldered aside by foreign giants.

9. As if the foreign corporations are not big enough, they are now engaged in consolidating themselves. Banks and industries in the developed countries are merging into superbig entities, each bigger than the developing countries. When these superbig giants move in, their local counterparts will just suffocate to death.

10. I am sure it is not their intention to interfere in local politics but we know that in the Banana Republics the managers of banana plantations wield more power than the Presidents of these countries. The temptation to interfere in local politics might be too much for the foreign giants to resist.

11. Globalisation and a borderless world seem very attractive in this Information Age and advances in transportation and communication. We now live in a global village. We will all be citizens of the Planet Earth. But apparently we are not going to be equal citizens.

12. While borderlessness is being interpreted as the right of capital to flow anywhere unconditionally, the poor people may not cross borders into rich countries with equal freedom. For them the barb wire fences and the border guards will remain.

13. Even as globalisation is being promoted, the powerful are actively increasing the traditional basis of power i.e military strength. The defeat of the Communist was initially thought to end the arms race. But the quest for ever more destructive weapons have not abated. Huge sums are spent on research into destructive weapons and equipping vast armies in the use of these weapons.

14. To recover the money spent, the poor countries are persuaded to buy ever more sophisticated weapons. The result is not only tension and minor arms races but misallocation of their limited funds. Less is being spent on the well-being of society.

15. While misbehaviour on the part of the weak may attract rockets and bombs, the massive violations of human rights in such places as Bosnia Herzegovina and Kosovo, go on with impunity.

16. Power not only corrupts but it must also be free of any challenge. If anyone has the temerity to criticise those with power, the result can be very painful for the critic. Every weapon at the disposal of the power will be employed maximally against the critic.

17. Among these weapons is the media. If anyone criticises the actions of the mighty the media will demonise the critic and cause him to lose credibility. That way the abusers of power will remain free to continue their abuses.

18. We are 16 countries scattered over three continents. We are weak. We are poor. And we are linked with each other only by thin and friable beliefs that we have something in common, that we have common problems, that we need to cooperate to enhance the little strength that we have and to use it to enable us to survive. I must say in all these we are not succeeding too well.

19. On the other hand the rich and the powerful are consolidating, forming powerful cohesive politico- economic alliances. They meet, they plan and they execute strategies impacting on the world. Clearly if we want to safeguard our future we have to be aware of the forces around us, to consult with each other more often and to have a common stand on most issues.

20. I have painted a very gloomy picture of the future, of the new century and the new millennium. Maybe I am over pessimistic. Maybe I am exaggerating. I have been wrong before and I may be wrong again. But I was right many times also and it is possible that I will be right again this time, if not fully at least partly. And if I am partly right even, it is not going to be good for us in the developing world. We may find our newly won independence eroded away.

21. Malaysians took four centuries to liberate themselves. We have been independent just for 41 years. We do not relish losing that independence. Just as we struggled hard to gain independence we will struggle equally hard or harder to retain it.

22. We have not just seen the signs but we are actually going through a painful experience of the kind of world the future will bring. For the time being we have been able to retain our freedom but we are not sure that we can successfully fend off future challenges.

23. Paradoxically the greatest catastrophe for us who had always been anti-Communist is the defeat of Communism. The end of the Cold War between East and West has deprived us of the only leverage we had, the option to defect. Now we can turn to no one.

24. As a member of the G-15 I feel a need to shout my warnings. I know I will be ridiculed but that is a small price to pay. The world may not see a clash of civilisations but the disparities between the weak and the strong is such that might will continue to be regarded as right.

25. I do not ask to be believed. But I do appreciate this opportunity to speak out before you, the leaders of middle-income developing countries.

26. When I condemned the currency traders at the height of their attack on the East Asian countries I was punished by having the currency of my country devalued further. I was told to cease and desist. I did not and the currency and the stock market and the image of Malaysia suffered. What I have said today may attract other punitive actions.

27. That is a risk that I have to take. That is a risk that my own country will take.

But I have to say what I have to say.

28. I hope and pray that our Summit will result in a greater understanding of the problems which lie ahead and greater collaboration between us.