



# SIARAN AKHBAR

*Dr. Mahathir's speeches*

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SPEECH BY THE PRIME MINISTER  
YAB DATO SERI DR. MAHATHIR BIN MOHAMAD  
AT THE INAUGURAL LECTURE OF THE  
PRIME MINISTERS OF MALAYSIA  
FELLOWSHIP EXCHANGE PROGRAMME  
AT DEWAN MERDEKA,  
PUTRA WORLD TRADE CENTRE, KUALA LUMPUR  
ON WEDNESDAY, 24 JULY 1996  
AT 7.30 P.M.

## GLOBALISATION - WHAT IT MEANS TO SMALL NATIONS

There has been much talk of late about globalisation, a process or a state of affairs that holds much promise for the future of planet earth and not a little trepidation among the peoples of many countries for whom even nationhood has not delivered the things that they had expected. They are yet hardly nations, and now they are asked to forget their nationhood, some only recently gained, and go for globalisation, something that they cannot yet comprehend but which they know would be too big for them to handle.

2. The developing nations of the world far outnumber the developed. Most of them were until recently colonised by the imperial powers, all of whom were developed and all from the wealthy West. They, the colonised, had not forgotten those colonial days not so very long ago. They cannot forget that for centuries they had had colonial masters. Some were fair and proper, but most were overbearing and oppressive. But without exception they made it clear that they were the masters and the inhabitants of the colonial territories were subject people.

3. Admittedly most of these colonial territories did not exist as states prior to their colonisation. They were just vast tracts of land, without defined territories and boundaries and

thus sovereignty and Government. The inhabitants largely had no concept of nation states; rather they were divided into tribes, which moved freely over whole continents sometimes, sharing the territory with numerous other tribes. Their loyalties were tribal and not territorial.

4. It was the colonial powers who delineated the colonial territories and created well-defined states, disregarding completely tribal claims. The boundaries were straight lines drawn on maps without any regard for local lores or rights. And so the independent states which emerged from these delineations were peopled by mixtures of tribes and races with no common culture, history or origins. Thus two independent states next to each other may have the same cocktail of races and yet be totally unrelated legally or politically. That these tribes and races never really accepted the dividing lines and boundaries was considered irrelevant. It suited the tidy minds of the imperialists to divide and separate them and to regard them as different entities and administrative units, and so they must accept the boundaries as fait accompli.

5. When decolonisation took place after World War II the independent nations which emerged were totally artificial. The inhabitants of different races and tribes had got along with each other during the colonial period, but this was not by choice. The colonial masters imposed from above a semblance of unity. Traditional tribal enemies had to live with each other at peace or face the wrath of the authoritarian colonial Government adept at playing them against each other or using one race to impose the rule of the colonial masters on the other and on the rest.

6. The artificial peace and harmony of the colonial territories were taken as real. Superficially together against the colonial masters, the different races seemed united enough to be the citizens of the newly independent nations. But deep under the old animosities and enmities burnt.

7. Still these territories were aware of the artificiality of their boundaries and the entities they formed. The sophisticated among them, the educated leaders, appreciated the need to prevent a break-up of their new nation along tribal or racial lines. And so they determined very early on that the territories, ruled as a single entity by the colonials, should not be allowed to break-up to form separate states, whether the different races wish to or not. The regional organisations that these new countries formed affirmed and endorsed this 'no cession' principle.

8. Not all of these regional organisations subscribed to this 'no cession' principle. Some of these colonial entities did break up into separate states, while others broke up after independence. Only a few managed to stay whole despite the tribal and racial loyalties which tended to break them up.

9. But whether the ethnic, racial and tribal groups remained in the same entity or not, they had problems managing relations between them. The problem was compounded if the races were also unequally developed.

10. During the colonial period the only form of Government these peoples and territories knew were authoritarian colonial rule complete with detention without trial and banishment to remote parts of the world. Nevertheless these authoritarian colonial powers and their metropolitan Governments insisted that the newly independent countries adopt democratic forms of Government with which they had had no experience.

11. It is doubtful of course that the newly independent countries would be able to manage whatever the form of Government they were to adopt. A local version of the authoritarian form of Government with which they were familiar would probably result in abuses of power and tyrannies. But trying to rule their countries through democratically elected representatives was certainly not the easiest thing for them to do. Besides, the previous masters were not going to allow them to manage even if

they seemed able to adopt the democratic system. They were consistently harassed and badgered for not being democratic enough. And if they have minorities then they would be constantly accused of oppressing these minorities irrespective of the problems created by them. Nothing that the independent Government did was right in the eyes of the former colonial masters. The fact that they, the former colonial powers, had never practised democratic administration was regarded as purely historical and irrelevant. The new countries must be perfect democracies according to the definition of the former masters.

12. Faced with the multifarious problems of tribal and racial divisions, lack of experience in Government and understanding of democracy and its workings, it is a miracle that any of these newly independent former colonial territories survive at all, much less prosper. But clearly all have survived even though some have to be propped up. Some are able to avoid civil strife and break-ups, though almost none have been able to resolve their problems. Only a few manage to prosper despite their past colonial problems, but these are constantly harassed and badgered for not becoming what their previous colonial masters wanted them to be.

13. The fact is that almost none of these former colonial territories are any better politically and economically than they were before they became independent. In many aspects they are still very much colonised. Direct political occupation has ceased but colonisation in other forms remains. The struggle for independence is therefore far from over.

14. Even those non-European countries which had never been colonised are not free from political, economic and social diminution. They too are being told how to run their countries, how to behave socially, how to maintain an environment safe for the rest of the world.

15. Devastated by tribal and civil wars, their resources manipulated through a market system controlled in far away places, unskilled in Government and economic management, these developing countries look set to remain developing economies forever. Some indeed have regressed and are likely to continue regressing. Debts piled up, accumulating until whatever revenue they collect merely goes towards paying off their loans. Whole countries have been made debt-slaves of the rich nations, working for their masters with no prospect of ever securing their release.

16. But still these countries cherish their independence, limited though it may be. It seems to them that anything would be better than a return to being colonies of others no matter how much better off they would be. And now these countries are faced with globalisation, a single world in which they know they will have little say, their voices drowned, and their interest ignored in the pursuit of global interest and objectives as defined by others.

17. What does globalisation hold in store for the developing countries? As interpreted by the developed countries globalisation means the break down of boundaries as barriers to economic exploitation. Every country rich or poor, developed or developing would have access to every other country. The poor countries would have access to the markets of the rich, unrestricted. In return, or rather by right the rich will have access to the markets of the poor.

18. This sounds absolutely fair. The playing field will be level, not tilted to favour anyone. It will be a borderless world. It will be just one world. The whole of planet Earth will be as one nation, and everyone will be earthlings, not subjects of countries or nations. Thus will globalisation be achieved.

19. But if there is only one global entity, there cannot be nations. Certainly there cannot be independence of nations. The newly independent nations will disappear together with the old nations, including of course the former imperial or colonial powers. Everyone would be equal, citizens of the globe. But will they be truly equal?

20. After thirty years or more of 'independence' the former colonies of the West have found out the emptiness of the independence they had won. They have found that they are even more dependent than when they were colonies. They have found that their politics, their economy, their social and behavioral systems are all under the control, directly or indirectly of the old colonial masters and the great powers.

21. In the bipolar world of the Cold War period they had at least the option to switch allegiance even though allegiance often amounted to acceptance of hegemony. In a unipolar world they have lost even the choice to submit. They have to submit to the successful superpower and its cohorts whether they like it or not.

22. With that experience it is silly to think that globalisation will mean more independence for them, or mean more equitability for them. Globalisation can only mean one thing - loss of the nominal independence they have with nothing to compensate.

23. The GATT negotiations which held so much promise have resulted in the WTO, the World Trade Organisation. What is the difference between WTO and GATT? The only tangible difference is that whereas the bilateral and multilateral trade agreements under the GATT were not internationally binding unless the parties concerned agree to submit to arbitration, the decisions of the WTO will be binding on all the members. Member countries will be punished by all the other members acting in unison. If for example the WTO decides to apply sanction then everyone would be bound to enforce the sanction.

24. Even now when the Western allies decided to apply sanction against Iraq, all other countries are forced to follow suit. If a decision is taken in the WTO there can be no exception.

25. Iraq, Iran, Libya are all labelled as rogue states. But will only those countries who are similarly guilty in the eyes of the West suffer such economic blockades? Will such blockades not be also applied for other 'crimes' e.g. human rights violations, infringement of workers rights, exploitation of child labour, environmental degradation, etc?

26. Already attempts are being made to link trade with these issues. It is clear that the developed countries wish to use the WTO to impose conditions on the developing countries which will result not in improving human rights or labour practices or greater care for the environment but in stunting their growth and consequently suffering for their people. Already the developed West have shown that they are not interested in these matters in themselves, but are interested in these only in those countries which pose a threat to the West. If these countries are absolutely poor and produce nothing that constitute a threat to the developed countries of the West, the plight of their people in terms of human rights or labour practices or the environment matter not at all. But if these countries are competing with the West in any way then their records are scrutinised and threats issued. The net effect is to prevent the development of these countries and their emergence as newly industrialising economies.

27. Globalisation would leave these countries totally exposed and unable to protect themselves. True globalisation may result in increasing foreign investments in these countries. But such investment will depend on the competitive advantages that these countries have. If investments like trade are linked to labour rights and wages etc. then corrective measures taken by the developing countries will remove their competitive advantage. Without these advantages why should foreign investors invest in these countries.

28. On the other hand if a fairly successful developing countries were to open their economies to all and sundry, the huge corporations in the developed countries will overwhelm the small companies in the developing countries. The huge banks for example will push aside the little banks of the developing countries. The big banks can afford to lose in a small country when they are making profits in their own country or in other developed countries. The local banks cannot afford such losses and will either shut down or be forced to merge and lose their identity. The same thing can happen to telecommunications companies, power companies, construction companies etc.

29. The effect of economic globalisation would be the demise of the small companies based in the developing countries. Large international corporations originating in the developed countries will take over everything.

30. Perhaps international anti-trust laws would be initiated and big corporations broken up. But experience has shown that the 'Baby Bells' soon grow and each becomes as big or bigger than their parent company. The same happened to the companies of the Japanese Zaibatsu.

31. The manufacturing, trading and telecommunications companies together with the banks will grow and merge, controlled and run by the huge core companies of the developed world. The little players from the small countries would be absorbed and would disappear. Their shareholders, big players when they were in the small companies, will wield insignificant authority in the huge conglomerates. And so will their CEOs and other executives, reduced to mere names on the payroll.

32. Nations differ not only because of their geographical and political compositions but more significantly because of their character and culture. Character and culture develop through the value systems of the society - the exposure to these values and

of course to the experience and surrounding socio-political environment which members of a given society are exposed to.

33. Globalisation will result in all societies being exposed to the global culture. This is going to become more universal because of the development of Information Technology (IT). The unfortunate thing is that the IT industry, and all that will be disseminated through it, will again be dominated by the big players - the huge corporations owned by the developed countries. Governments and the world may have the best of intentions in terms of disseminating news and information but the IT corporations may have other views.

34. Today violence and sex already dominate the screens. Attempts to reduce this unwholesome fare have met with little success. The appeal of thrill and sensuality are too great and too effective for the profit-oriented companies to eschew these themes. With globalisation the effect of the 24-hour thousand channel TV would be to standardise world culture as promoted by the broadcasting giants of the world. They are not likely to be conservative and responsible. They are going to ensure that their companies outbid each other in terms of profits.

35. Today's youth already wear the same uniforms - the jeans. They keep their hair long and as untidy as possible. They only care for the pleasures of life. They have little regard for traditional values, for age and the family and institutions such as marriage and family. The problems of 'lepak' and 'bohsia', the careless disregard for virtuous life-style -- all these are related to the exposure to foreign cultures.

36. The good aspects of foreign culture do not get an airing. They are not interesting and entertaining. Besides, good foreign cultural values are fast disappearing, victims of the same assaults by the media.

37. The present economic problems in the Western countries are the result of the changes in their culture. From being a disciplined and hard-working people they have become totally uncaring and unrestrained, demanding always less and less work, more leisure and more and more pay. Naturally their costs go up and they become uncompetitive. Faced with competition from the East and the new industrialised countries, they lose out. Their economy regress and they are unable to recover because their new culture has set in and cannot be changed back to the old values which had brought about their success in the first place.

38. Unwilling to give up the 'good life' as they imagine their way of life to be, they want to reduce competition by others through converting their competitors to their culture, their way of life. This they claim will result in their so-called level playing field, in which they stand more than an even chance to regain their superiority. And so again globalisation will result in the small nations remaining unable to catch up with the developed world.

39. But globalisation will not be confined to the economic and cultural field alone. The breaking down of borders will result in the powerful truly dominating the weak. Although the military forces can be a global force belonging to no particular nation, the fact remains that the financing and the command and control will be with the most experienced and the most skilled. And the poor nations are unlikely to dominate the military forces which will oversee the peaceful relations between countries and regions. We have already seen what happens to Bosnia, where the fate of the Bosnians has been sidelined by the political interests of the European Powers.

40. The law will be enforced by those countries which will be the most influential. Already we have seen how the President of a country had been arrested through a military operation by a powerful neighbour, taken back for trial and subsequently committed to prison in the neighbour's country. This involves

the exercise of extraterritorial powers not provided for by any agreement. But there is nothing that anyone can do but accept the extraterritorial rights of the powerful.

41. If the globalised world is dominated by a few countries then anyone can be arrested and tried by them. Of course criminal leaders should be dealt with but what if the criminal leaders are from the powerful countries which control the global military force. Will the leaders be apprehended and brought to trial in a small country which has been the remote victim of the crimes of these leaders? It is most unlikely.

42. A globalised world is not going to be a very democratic world. A globalised world is going to belong to the powerful dominant countries. They will impose their will on the rest. And the rest will be no better off than when they were colonies of the rich.

43. History would have turned a full circle within just two generations. Fifty years ago the process of decolonisation began and in a space of about twenty years was virtually completed. But even before all the colonies of the West have been liberated, indeed before any had become truly and fully independent, recolonisation has begun. And it is recolonisation by the same people.

44. They will of course refer to this as their burden, a responsibility which they have imposed on themselves. They will tell the world, the global community that they have no wish to impose themselves on anyone. But in a world where there is so much poverty, turmoil, riots and instability and frequent massacres, those responsible must not shirk their duty. They are only doing it for the good of everyone.

45. 1984 has passed and good. Big brother did not make his appearance. But that does not mean that Big Brother cannot appear after 1984. The technology for global scrutiny by Big

Brother is available now. It remains for those in control to make use of this technology, and 1984 will become a reality.

46. This is what globalisation may be about. This is a gloomy prediction. It is pessimistic. It does not contain much hope for the weak and the poor. But unfortunately it is entirely possible. And it will be unless the weak and the poor appreciates now this possibility and fight tooth and nail against it. There are ways of fighting the powerful. It will be a kind of guerilla war. But it can succeed. And that war can only begin if there is understanding of what globalisation can mean.

47. Of course globalisation may bring about Utopia, a paradise on earth, a world of plenty in which everyone can have everything. But nothing that has happened so far seems to justify this utopian dream.

48. Just as the ending of the Cold War has brought death and destruction to many people, globalisation may do exactly the same and maybe more.

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