

SPEECH BY: DATO' SERI DR MAHATHIR BIN MOHAMAD
(PRIME MINISTER)

EVENT: THE OPENING DINNER GLOBAL 2003 SMART PARTNERSHIP INTERNATIONAL DIALOGUE

VENUE: EZULWINI, SWAZILAND

DATE: 13 AUG 2003

TIME:

CO-CREATING OUR DESTINY: THE SMART PARTNERSHIP WAY

I am truly honoured to stand before you as a fellow Smart Partner this evening and to be given this opportunity to address you. To my host, His Majesty King Mswati III, may I extend my deep appreciation for a warm welcome to beautiful Swaziland. I wish to record my heartfelt appreciation for the hospitality and warmth that our African brothers and sisters have bestowed upon my wife and I whenever we attend the Smart Partnership Dialogues. This is the seventh one in Africa for us.

2. In the last twelve months since the Langkawi Dialogue in Malaysia, we have witnessed the continuing scourge of conflict, invasions and disempowerment of nations. Not to be forgotten is the SARS epidemic that inflicted more economic damage to East Asian countries than the 9-11 attacks. The challenges seem to be daunting and the human endeavour needed to surmount this should be even more onerous. Our gathering here in beautiful Ezulwini over the next few days is certainly a rededication to what we can do together, so that our collective efforts can achieve the outcomes that singly and separately would have been impossible to achieve.

3. On the political front, the third stage of the Iraq saga seems to be unfolding. The first was inflicted on our sensibilities beginning more than ten years ago. It continued for twelve long years when not satisfied with economic sanctions which deprived the Iraqi people of food and medicine, killing and disfiguring several hundred thousands, particularly the children, the powerful democracies continuously bombed the Iraqi armed forces until there was nothing left that they could fight with.

4. Having thoroughly weakened the Iraqis, the second stage was launched, and surprise, surprise, the Iraqis were defeated, their country invaded and occupied. Far from using the weapons of mass destruction they were supposed to possess, their warplanes could not even

take to the air.

5. And now we are seeing the third stage, the setting up of a new and democratic government to be welcomed with happiness by the freed Iraqis. Apart from imposition of a foreign government being anything but democratic, support by the Iraqi people is not forthcoming. Instead a guerrilla war is in full swing and the saviours are being told to leave or be killed.

6. What do all these mean to us, the nations which aspire to become developed and to enjoy the standards and appurtenances of the rich. The sole multilateral institution which we had hoped to protect us, the United Nations, has now been completely emasculated and made impotent. There are still other international organisations in which we are members, but all of them are more interested in protecting the privileged few than the welfare of the many. We have no one to help us. The only thing that we have left is ourselves. We may not feel up to it but the fact is that is all that we have. We ourselves must face the onslaught of globalisation and overcome the inequities that come with it.

7. Why should we fear globalisation? The world is getting smaller and there really is no place for any of us to hide ourselves, to be an economic or political island. Globalisation is an idea whose time has come. We have to accept the fact. But must we accept the interpretation of globalisation as formulated by the rich?

8. The International Herald Tribune is not my favourite newspaper. It has nothing good to say about Malaysia or about any other developing country. We are all doing the wrong things. The International Herald Tribune journalists and other Western journalists would certainly do a better job of ruling our countries. We would become developed in no time if the editors of the International Herald Tribune, the Wall Street Journal, the Economist are made Presidents and Prime Ministers of our countries. But once in a while these geniuses would confess to the errors of their ways. And so it was with the International Herald Tribune of July 23, 2003.

9. This is what the reigning editorial genius of the Tribune has to say about the Western (which you can also interpret as ethnic Europeans' interpretation of one particular incident involving globalisation. This is the story of the catfish of Vietnam, how it threatens to impoverish the great United States of America.

10. I quote the great International Herald Tribune.
"Normalisation of ties with the US, the one time enemy,

brought American trade mission...one of these delegations recognized the Mekong Delta catfish as a golden opportunity for export". Within a few years...half a million Vietnamese were living off the catfish trade. Vietnam captured 20% of the frozen catfish-fillet market in the U.S., driving down prices."

11. "So the Americans, represented by the Catfish Farmers of America declared war."

12. It seems that "of the 2000 catfish types, only the native American species qualified as "catfish". The Vietnamese could only market their catfish in America under the Vietnamese term "basa" or "tra".

13. The anti-Vietnamese catfish campaign went on. Representative Marion Berry, Democrat Arkansas, suggested that Vietnamese fish were not good enough for American diners because they were contaminated with Agent Orange (which as we all know were sprayed all over Vietnam by American forces to defoliate all greenery). The Catfish Farmers of America ran advertisements depicting Vietnamese fish as "floating around Third World rivers nibbling on who knows what."

14. Then the American group accused the Vietnamese of dumping catfish at below their cost of production and sale price in Vietnam. The Commerce Department then declared that Vietnam is a "non-market" economy and that means the cost of production in Vietnam is suspect.

15. And so the Vietnamese catfish farmers numbering almost half a million lost their business, could not go back to ordinary farming, and were destitute.

16. This is not the only case of course. The Americans conducted a similar campaign against Malaysian palm-oil, claiming that it is high in cholesterol, and causes death from heart failure. Malaysian rubber gloves are said to cause allergy and hospitals actually put up notices that no natural rubber gloves are used by the hospitals.

17. Despite the fact that 50 percent of Malaysia is covered with natural forests and 20 percent more by tree plantations, the Europeans claim that Malaysia is deforesting and Malaysian timber and timber products are subjected to all kinds of non-tariff barriers. Rubber wood furniture which does not involve natural forests are said to be poisonous because of boric acid preservatives.

18. This is globalisation as interpreted by the rich ethnic European countries. We accept globalisation but must it be the kind of globalisation as interpreted by

them. They say they will open their markets to us but they find all kinds of excuses to keep them closed.

19. I can tell you of many more instances of double-talk. Everything is conditional, even the aid given. You have to support their policies or it will be cut off. And at the slightest misdemeanour, sanctions would be applied.

20. Now of course they have gone beyond sanctions. War, invasion and occupation of countries are justified even for spurious reasons. Accusations of possession of weapons of mass destruction, dictatorial regimes, violation of human rights, etc. can all be excuses for invading a country. And when these excuses were proven wrong, they would say that even a slight suspicion is enough to justify invasion to overthrow a regime.

21. In the pursuit of their aggression policies, their media play a prominent part. Lies are made up and news distorted in order to undermine the target developing country. Malaysia's Government is made out to be an authoritarian regime, a dictatorship, notwithstanding regular election and the obvious successes of the opposition parties. Anyone against the government must be above the law. If they are detained under the law, it is wrong. If they are tried in a court of law, defended by anti-government lawyers then it is a charade if found guilty. These brown people, they don't understand the rule of law, justice etc. How can they find opposition members guilty? Yet if the country sucks up to them, not allowing successful opposition members to take their places in Parliament, charging them for misuse of their party funds, finding them guilty and barring them from contesting in election, it is considered as right.

22. Double standards is everywhere. We can be criticised and condemned. But if we point out the error of their ways, it is made clear that this is not right and should not be done. Pointing out to them that they have a history of seizing other people's land and claiming it to be their country, is unfair. This was long ago history. They don't do such things anymore.

23. But is it true that they don't do such things anymore? Not in the same way perhaps. But in other ways, equally blatant and resulting in the same thing. We may not be occupied, although invading and occupation is still possible. But merely by forcing us to open our borders for their giant corporations to come in is sufficient.

24. In Malaysia we have always allowed for foreign participation in our economies. We have been lavish in our incentives, giving long tax holidays and even

lending the capital for these companies to set up their facilities. We admit freely that these foreign investors have contributed much to the development of Malaysia, in particular to the creation of jobs for our people. We still welcome them but we do have certain minor restrictions to protect our locals and to make sure that our independence remain intact.

25. We have done very well with our home-grown policies. We have no doubt that our way would ensure growth and the betterment of our people and our country. But now we are told that we must open up completely, subject ourselves to rules which are formulated by rich people elsewhere, and have our government abdicate its role as the formulator of policies and their enforcement. Henceforth the market i.e. the big foreign corporations backed by their governments would decide. The market would discipline the government.

26. We had a taste of this when the currency traders devalued our money and destroyed our economy. But we are told that is no reason to reject the system. If being destroyed by a system or regime is not good enough a reason for rejecting them, then when do we reject them?

27. The history of ideologies and systems coming out of the West is invariably the same. They think up of a system to overcome the failure of the current system. They force their countries to accept this system or ideology. After some time they are forced to admit that this great ideology could not deliver the good life that it promised. The system failed. Then they come up with another system which they are absolutely certain would bring the good life. Over a period of time this would fail and then a new one would be formulated and would go through the same cycle.

28. They had absolute monarchies, which they replaced with republics, then republican anarchy and dictatorships were replaced with socialism and communism, then back to capitalism, free trade and democracy. We can be rest assured that they would later on condemn democracy and free trade and come up with another perfect formula.

29. Each time they change the whole world must change. If anyone defies them he will be torn to pieces and thrown to the dogs along with his country. Heretics used to be burnt at the stakes by them. The same fate would befall anyone or any country which heretically refuses to believe in the latest creed. The burning at the stakes can be quite literal, but it can take other forms of course.

30. They will say that the free market will bring

wealth to the poor through a trickling down effect. But let us see the facts. The spread of global markets has widened the gap between the developed and underdeveloped countries. Today the richest one percent of the world's population own as much the poorest 57 percent. Half of the world's population lives on less than two dollars a day, more than one billion on less than one dollar a day. Meanwhile the 20 percent of those living in high income countries account for 86 percent of the world's private consumption expenditures.

31. What we are seeing today has been the downward spiralling 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. 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. Taxes can spread some of the wealth. In their own countries they pay taxes on the wealth they make so the poor can have a share of it. They now make profit by exploiting the whole world. But they pay no taxes to the world to be expended on the poor in the poor countries. Today more than two billion of the six billion inhabitants of the world live in abject poverty suffering all kinds of diseases and dying like flies. They no longer give out aid, the 0.7% of GDP that they promised. As to being taxed so as to use some of their wealth to feed the poor, they would not hear of it. Their media won't even publish the idea, much less support it.

32. These are the facts of life today, the 21st century the beginning of the third millennium. There is no justice, no fair play, no charity. The civilisation of the stone age, where might was right, is still with us.

33. We of the third world, the so-called developing world can cry over all these but it is not going to do us any good. The only argument that we can use is our strength, little though it may be. Alone we are puny but together we can garner some strength, wield some clout.

34. There are among the rich some who have a conscience, some who believe exploitation by the rich of the poor is not right. They are the exceptions of course but we can form alliances with them.

35. But most importantly we must put our houses in order. Life is short. Power and wealth can be enjoyed only for a short while. Soon even the most powerful, the most wealthy will die. But if power and wealth is used to build our country, to develop our economy, the results can live long after we are dead and gone.

36. Pardon my reverting to Malaysia but we in Malaysia believe in a very simple philosophy. We have a very rich minority made up of people of foreign extraction. We, the majority indigenous people, can dispossess them and take everything for ourselves. But we know that what we forcibly acquire would not generate wealth anymore. We would not know how to squeeze wealth from the great enterprises that enrich this minority group.

37. The rich minority on the other hand realise that their wealth is built upon the stability and cooperation of the indigenous people. Realising this they show a willingness not just to share their wealth but to inculcate the values and help the majority indigenous people to attain the skills to make wealth for themselves. It would take a long time but in the meanwhile they are happy to make some sacrifices in order to reduce the disparities between them and the majority indigenous people.

38. So the rich and the poor will share the cake of prosperity, unequally at first but progressing towards greater equitability with the passage of time. No overnight wealth, no overnight impoverishment. It is, we in Malaysia believe, far better to have a slice of a growing cake than the whole of a disappearing cake.

39. The present interpretation of globalisation will result in greater and greater inequity all the time. The rich will not only become richer but they will be separated from the poor because of ethnicity and nationality. Sooner or later the poor will hit back. Today's terrorism is partly an expression of this disparity in the distribution of wealth. The retaliation by the poor and the ethnically and nationally different can take many other forms. The rich will not be able to enjoy their wealth forever.

40. This is the story of humankind. Disparities have always been the cause of revolutions and bloodsheds. But this time it will not be within the community or within the country. It will be on a world scale. In a way it already is. The world war that will come will not be between alliances of nations. It will be between classes, the rich ethnic minority states against the poor ethnic majority states.

41. Perhaps such predictions are pessimistic and alarmist. But despite the sophistication of the intelligence gathering of the powerful, no one foretold the 11th Sept 2001 attack. Do not be too sure that there cannot be some ingenuity on the part of the oppressed.

42. And so, Ladies and Gentlemen, we must strive to make the inevitable global nation work, to make it work

by reinterpreting it. We must bring our philosophy of prospering our neighbour, of "win-win" formulas into the vocabulary of the globalised world. We must bring about smart partnerships, firstly between us of the poor developing nations, so we may have some clout in the determination of the economic regime of the world, and after that a smart partnership with the rich, the enlightened rich, of which there are quite a few.

43. The great junk bond traders of New York unashamedly proclaim that "Greed is Great." Greed is not great. It has always been the cause of wars and imperialism, of oppression of the strong over the weak, of revolt and rebellions.

44. Charity is great. The great civilisations prospered and survived only when charity characterised their societies. We must strive to bring back charity in the management of our affairs, our national and international affairs. And we can do that if we believe in prospering our neighbours, in smart partnership and in win-win formulas.

45. That I believe is why we are here in Ezulwini, in this great Swaziland nation. We must not be too ambitious. We must do what is right firstly within our own community, within our own nation, before we try to change the world. We must believe that we can do it. And most assuredly we can.

46. We must be prepared to make what may seem to be personal sacrifices, but truly they are not. We must then be prepared to make national sacrifices which will prove to be no sacrifice at all. In the end they will all pay back, and pay back handsomely.

47. That is the way to co-create our destiny, to co-create the smart partnership way.

Bottom of Form 1