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Conference makes key recommendations for Asean

KUALA LUMPUR, Tues. - Asean business leaders who attended the recent private sector salute to Asean conference yesterday expressed full support for Prime Minister Datuk Seri Dr Mahathir Mohamad's call to "Think Asean and Buy Asean."

The conference co-chairman Datuk Michael Yeoh, who is also executive vice-president of the Asian Strategy and Leadership Institute, said the conference came up with several key recommendations for Asean countries.

They include the following:

- * Whilst Asean continues to focus on regional stability, peace and security as necessary conditions for economic growth, Asean and the private sector must also look at quality of life, sustainable development, good governance and ethical management.

- * Asean's future depends on the business sector as the primary engine of growth. To be effective, the Asean private sector needs to cope with the challenge of accelerating competition. Asean companies should enhance their competitiveness by focusing on the right strategy and the right business infrastructure.

- * The conference also took note of the regional currency and market problems. The important challenge facing Asean companies is the lack of cash-flow and liquidity. Asean companies should strive to be cost-effective and focus on cutting costs to ensure survival and long-term viability.

- * The conference noted that the present economic problems are transient. The private sector in Asean was urged to see the present problems as an opportunity.

- * Asean companies were urged to act swiftly to overcome the current problems. Changes must be implemented quickly and professionalism injected into business in the region.

- * The private sector also called for further harmonisation of regulations and standards, and more joint-ventures and strategic alliances among Asean companies.

- * A programme to accelerate development of small-and-medium enterprises should be implemented

- * Strategies to quicken the pace of regional economic and business co-operation should be implemented.

Yeoh said the participants, while discussing the currency problem, had also suggested that a special meeting of G-7 countries be held to help restore confidence in the East Asian economies.

They also noted with concern that there was no new locomotive of growth to get Southeast Asia out of its present quagmire with the present problems faced by Japan and South Korea.

"During the last recession of the mid-1980's, the influx of new direct foreign investments from Japan, Taiwan and Korea helped to speed up recovery.

"This time, it may not happen," added Yeoh.

The meeting also called for the establishment of an Asean Information Network and an Asean Financial Mechanism to help new members.

Asean companies were urged to take advantage of the present situation to invest in the region to expand markets and deepen capabilities.

It was also suggested that an Asean Business Advisory Council be set up by Asean leaders to provide a direct link between the Informal Leaders

Summit and the Asean Business Community.

The proposed Asean Business Advisory Council can work on the same lines as the APEC Business Advisory Council to enable direct input from the private sector to the Informal Leaders Summit.

This could be an important mechanism to provide the leaders with feedback.

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