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Group should do away with mere talk and be more action-oriented

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THERE is no room for political rhetoric or language that is hard to understand in Asean. There are issues at hand which need to be remedied urgently.

This was Prime Minister Datuk Seri Dr Mahathir Mohamad's clear message to Asean Foreign Ministers who have grouped in Kuala Lumpur for their annual Ministerial Meeting.

Opening the 30th meeting on Thursday, Dr Mahathir said globalisation and free market economy had raised new problems which Asean member states should address collectively, concertedly and with urgency.

One problem is the speculative attacks on the currencies of the region. The fundamentals are good but the value of the currencies has declined.

These, Dr Mahathir said, are the doings of "rogue speculators" and "anarchists" wanting to destroy weak countries in their crusade for open societies, to force them to submit to the dictatorship of international manipulators.

The Prime Minister said Asean nations should improve their levels of co-operation and consider formulating new laws, if necessary, to thwart the speculative attacks.

Co-operation between the central banks of Asean nations should also be improved. "Certainly, by working together, we can increase our clout and deal with this kind of problem which is common to all of us," he said.

Analysts say what is now happening in the financial markets of Thailand, the Philippines and Malaysia illustrates how well Asean would need to strengthen their fiscal and monetary policies and money market.

This is a vision that will eventually turn problems into opportunities.

There must be a long-term plan for so serious a problem as this because ad hoc solutions are insufficient. Solutions must be well-planned.

Asean Foreign Ministers should consider doing away with long, time-wasting speeches and instead, use the limited time to discuss issues and problems which could stand in the way of its ambitions.

Like the old, well-worn cliché goes: action speaks louder than words.

"The Asean Ministerial Meetings should not be an organised way of wasting time," said an official involved in running the meeting.

He was of course referring to the long speeches by all nine Foreign Ministers and two observers at the opening of the AMM on Thursday.

Asean's Action Agenda calls for the liberalisation of the financial sector and close co-operation in money and capital markets to enable the region to become the financial hub of Asia-Pacific.

But as Dr Mahathir and analysts have said, it is not enough.

"Well, obviously it could be improved ... everything can be improved," said Dr Mahathir. "We already have some kind of co-operation and arrangement. Obviously it is not sufficient or effective enough to deal with the kind of situation we are facing now".

The borderless world has begun to show catastrophic results. Large companies have spread their wings and influence everywhere. Small companies in poorer nations have been unable to compete with the multinationals who have re-appeared in their former colonies.

The Prime Minister said there were already giant companies swallowing up chunks of business in the developing world, monopolising the services sector through their huge shipping, airlines, insurance companies and banks.

These are immediate matters for Asean to look into, before putting its right foot forward to turn the region into a financial hub.

Analysts say the success story of Asean and its overall economic achievements, particularly in the post-Cold War period, is well known.

Referring to the three major issues decided - first, Asean's acceptance of Laos and Myanmar as new members, second, its decision to delay the admission of Cambodia and third, the election of a new secretary-general, a Thai official sums it nicely:

"This reflects the political maturity and self-determination that have increasingly become an Asean hallmark in the last 30 years," he said.

However, Asean still cannot rest on its laurels. History does not shape the future.

With an enlarged Asean community, it should ensure that there will be no two-tier economic system - a richer and poorer Asean. Efforts must be made to assist new members to progress equitably.

With the entry of Myanmar and Laos, Asean 9 which has a total population of 500 million, should become a dynamic market.

Asean should continue to be the world's fastest and most populous free-trade region in the world, surpassing the North American Free Trade Agreement and the European Union.

There should be no other locations more suitable for businesses.

Asean's Vision 2020 is viable but every effort should be made to anticipate and seek solutions to arising problems.

Action-oriented efforts should be put on high gear so that the region could stay clear of economic disasters and political debacles.

Like the Thai official said, the dynamism with which brought new paradigm change poses a new challenge for Asean.

Asean governments want their people to reap the benefits and share the economic returns but they must enhance competitiveness in export markets and improve the per capita standard of living.

This is what they must do:

* motivate global investors to consider Asean as investment destinations;

* preserve Asean cultural identity; and,

* pursue prudent exercise of fiscal and monetary disciplines.

This is what they must not do: they must not only talk!

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