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## Malaysia-Poland relations set for new phase of growth

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POLAND and Malaysia do not share the same geographical location, language or history, yet recently the similarities between the countries are quite surprising.

Both countries are on the path of "economic miracles" since the late 1980s. Poland has been called "Europe's economic tiger", achieving annual growth rates of up to seven per cent - the fastest rate for any country in Europe. Both nations are at the centre of two of the most dynamic areas in the world - Poland in Eastern Europe and Malaysia in Southeast Asia.

"Malaysia and Poland are similar in the level of economic development. We are both looking for development in technology and industry," Marek Paszucha, Poland's ambassador to Malaysia, said in an interview.

The two countries established economic and commercial relations in 1970 following the signing of a trade agreement. In 1972, the Embassy of the Republic of Poland was set up in Kuala Lumpur.

However, relations remained largely moribund as Poland went through a long period of transformation from a command to a market economy. This despite occasional visits by officials from both sides.

Even bilateral trade is nothing much to talk about. The figure for early last year is RM300 million which is only about 0.1 per cent of Malaysia's overall trade. Even though there are no exact figures as many Polish importers still obtain their Malaysian products from third countries, Malaysia seems to export more than it imports from Poland.

But winds of change are already blowing. The Yang di-Pertuan Agong Tuanku Ja'afar and the Raja Permaisuri Agong Tuanku Najihah, currently visiting Hungary, will arrive in Poland tomorrow for a three-day official visit. And Prime Minister Datuk Seri Dr Mahathir Mohamad, who is on two months' leave, may visit Poland as part of his European tour.

Officials of the two countries are hopeful that the visits would bring their relations under focus by the business communities. Polish officials have invited Malaysians to invest in their country's chemical industry, real estate and building of motorways while Dr Mahathir has called on Poles to invest in Malaysia.

Paszucha said that Poland has already been industrialised and is now looking to update and upgrade its existing factories and technologies.

With a population of 40 million people, Poland is the biggest market in Eastern Europe. "Poland was the largest importer of cars in Europe and the third in the world last year," said Paszucha. "Because of this, many car manufacturers are trying to invest in Poland, including Proton."

One would think that there would be more complementary trade and relations between the two "economic tigers". In March last year, Poland's Prime Minister Dr Wlodzimierz Cimoszewicz visited Malaysia in the hope of improving economic and trade relations between the two countries.

At the time of Cimoszewicz's visit, trade turnover between the two countries was US\$120 million (RM300 million). Since then, however, the improvement has not been as large as was hoped. Last year, trade turnover between the two countries was only US\$135 million.

According to Paszucha, the main reason is that both countries still don't know each other very well.

"Even if we do our best, big Polish companies prefer to do business with West Europe. It is easy to work with Germany because they are our neighbours."

Malaysian businesses also prefer working with people they know. So the only way for Polish companies to have joint ventures or business with Malaysians is to have someone here.

"The Polish companies have no chance to win any tender because they don't know the specific conditions. No one Malaysian company can win a tender in Poland unless someone is there in Poland studying the environment, recognising the people," he said.

The ambassador believes that the visit by the King and Queen will help make the people of both countries more aware and especially more interested in learning and understanding each other.

Their majesties will be spending two days in Warsaw and one day in Cracow.

Paszucha, who was also the former Mayor of Cracow, said: "May is the most beautiful time in Poland, I am happy that they have chosen to visit at this time of the year."

Cracow is on the United Nations' Educational, Scientific and Cultural Organisation's World Cultural Heritage list.

The old town of Cracow with its medieval town-planning, saltmines of Wieliczka which were still producing natural salt crystals up to 1992; Wawel castle and one of the oldest universities in the world, Jagiellonian University which was founded in 1364, proves that it is a town rich in history and culture. The earliest written history was recorded as early as the 10th century.

The exact age of Warsaw, which is the capital of Poland, is not known, though ancient chronicles document its existence in 1281. Warsaw, however, was almost completely destroyed during World War II. It has been rebuilt and remains the centre for scientific research, culture and the arts.

"Last year Poland had 80 million visitors, one of the biggest number of visitors in the world," Paszucha says proudly. Poland is unique among its neighbours because for many centuries it was influenced by Italy, France, Germany and Russia. Which, he says, is evident when you look at the architecture and even in the character of the people.

The Poles joke among themselves, that those from west Poland are the best workers, solid people but with no sense of humour. The people from the south make the best bureaucrats because the Austro-Hungarians were great bureaucrats. Those from the east are the hardest to keep in order.

He says that he is also trying to attract Poles to visit Malaysia. Though for Poles accommodation in Malaysia can be too expensive. "Malaysia needs more middle class, smaller hotels to attract tourists."

Paszucha says that he gets along well with the Yang di-Pertuan Agong Tuanku Jaafar. He said the King had asked him if he played golf and he replied that he had not picked up the game yet, but he will try. He did ask if the King played basketball, since the ambassador is also an international basketball referee.

"His majesty replied that he did not because he cannot jump so well and would rather stick to golf," Paszucha jokingly added. A golf game is being arranged for the King when he arrives in Warsaw.

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