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Meeting a lively forum to talk about whodunnit issues

Anita Gabriel in Hong Kong

HONG KONG: The annual International Monetary Fund (IMF)/World Bank meeting had always been, as one Malaysian observer aptly described, a sedate affair. The just-concluded Hong Kong meeting, based on the reports that have been filed, was certainly an exception.

With the region's economies facing one of its worst currency/share market turmoils since the Second World War, the meeting became a lively forum to talk about whodunnit issues. Malaysia, not surprisingly to many, took centre stage in most of these discussions.

The "excitement" had begun a couple of months earlier, after Prime Minister Datuk Seri Dr Mahathir Mohamad started taking to task international currency speculators like George Soros, and questioning the effectiveness of institutions like the IMF and World Bank.

Soros' presence at the meeting had promised that sparks would fly. Almost every economist who attended the meeting wanted to give their 10 sen's worth, whether in the form of advice to what South-East Asian governments should do or criticism against countries like Malaysia and leaders like Dr Mahathir.

Except that there were not too many like Dr Mahathir around. As his deputy and Finance Minister Datuk Seri Anwar Ibrahim said, not many leaders in the developing world dare to speak up in Dr Mahathir's "forthright and frank manner".

The reaction to some of Dr Mahathir's comments and remarks at a conference that preceded the meeting was akin to a typical reaction when one is struck by "cultural shock". Some called it "ultra-nationalistic", others were less courteous.

But at the end of the day, the meeting here saw several urgent matters being highlighted and attended to, and the bulk of these issues was the result of the points raised by Dr Mahathir as well as Anwar.

Anwar, for example, convinced the IMF to study mechanisms to protect developing countries against those destabilising factors. The World Trade Organisation (WTO) has also been convinced that it has a vested interest to ensure that financial markets in developing countries are sufficiently safeguarded if these countries were to liberalise their markets.

At the meeting, Malaysia also defended its economic fundamentals as well as the fundamentals of Asia as a whole. Repeatedly, Malaysia reminded the gathering of world economists not to take the turmoil in South-East Asia out of context.

Even the IMF has acknowledged that the problems facing the region were "a temporary setback".

The United Nations Conference on Trade and Development, in a report issued this week, said Asia should remain the most dynamic region in the world.

In his meetings with World Bank president John Wolfensohn, WTO director-general Renato Ruggiero, US Treasury Secretary Robert Rubin, and IMF managing director Michel Camdessus, Anwar took time and pains to underline the country's strong economic fundamentals and commitment towards the liberalisation process.

Anwar had to explain that Malaysia's economic fundamentals are strong and should not, in fact, be linked to problems faced by the region or other countries.

However, the fact shall remain that many will continue to want to link

Malaysia with the riches-to-rags stories of some other economies. They had linked Malaysia with the Mexican crisis and they tried to link the country's economic weaknesses to the Thai crisis.

As one observer remarked, as long as Malaysia continues to adopt a high profile in international forums - as it had done at Asia-Pacific Economic Cooperation, the United Nations, Group of Fifteen, Non-Aligned Movement and now IMF/World Bank meeting - it will continue to draw attention to itself.

Anwar, when asked here about Dr Mahathir's delivery, said: "People need to appreciate the general concern and predicament of many Asian developing countries, which was reflected in Dr Mahathir's speech."

That is the path that Malaysia has taken. At least everytime it speaks more outside countries and people will understand a little bit more about this region.

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