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Apec getting the facts first hand

IT will be a momentous week for Malaysians and participants of the sixth Asia-Pacific Economic Co-operation summit and related events in Cyberjaya and Kuala Lumpur. Scepticism over the summit's success notwithstanding, the outcome in the light of the perilous world economic situation is no doubt being anxiously awaited.

For the host country, there is an extra significance to the large gathering of officials, members of the business community and leaders from 21-member countries within the Asia-Pacific rim. The occasion will afford these visitors a golden opportunity to see for themselves what is really happening in the country. In the wake of the slanted reports and write-ups about Malaysia's political and economic situations which may have influenced some of our foreign guests, their stay here, albeit short, should provide them the opportunity to judge for themselves.

Prime Minister Datuk Seri Dr Mahathir Mohamad, opening the third Apec International Trade Fair here yesterday, once again extended the invitation - this time to the international business community. His call to the business sector to objectively evaluate the economic environment of countries affected by the economic crisis is appropriate and timely. His audience representing all the Apec economies in 347 companies participating in the fair, is likely to pay heed to such advice and eschew a jaundiced vision.

Indeed, foreign investors should not be overly dependent on reports, value judgments of credit rating agencies and the media. Reports can be biased and credit rating agencies can make mistakes, although they would hardly own up. This is not surprising for even the International Monetary Fund, which is supposed to have all the answers to member nations' economic woes, has made some serious blunders insofar as the Asian crisis is concerned. To find out the real situation of any country, investors should be there to get first-hand knowledge. Factors that should be taken into account include the market, consumer purchasing power, political stability and other socio-economic indicators.

For potential investors, perhaps nothing is more credible than facts about a country or region heard from established investors. For instance, Dresdner Bank AG chairman for Asia Pacific Rolf Willi made a fair statement on Asia's potential recently. The bank is the second largest in Germany. He called on foreign investors to evaluate opportunities in the region rationally as the area still has immense value as an investment destination. He said that the political instability which had been blown out of proportion by the foreign media, also created negative impressions on those who relied entirely on such news.

In the case of Malaysia, Willi said there were many misleading reports on the number of people taking to street demonstrations when in reality, the reports were actually repeats of one demonstration that took place in a previous week. It is not surprising behaviour on the part of the Western media for some of them have been known to be doing the same disservice to their own country. A good example is the constantly-repeated picture of Monica Lewinsky hugging US President Bill Clinton.

It is heartening to see foreign investors in Malaysia commending the authorities involved in promoting foreign direct investment for doing a competent job in explaining the country's currency exchange rate controls. Canada, for example, said recently that it would continue to support long-

term investments in Malaysia as opportunities were available and protected, that is, they are not subject to the controls.

Aside from the important communique from the Apec leaders, invaluable will be the intermingling and interaction among members of the participating countries in the next few days. The camaraderie will go a long way in promoting greater understanding towards solving common problems as well as achieving vital goals affecting the region and the world.

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