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Fast action, fewer words needed to solve region's economic woes

Baidura Ahmad in Sydney

IT was a working day in Sydney for most on May 1 including a group of prominent businessmen who were in town for the second meeting this year of the Apec Business Advisory Council.

There was not much coverage in the local media although the three-day event, which started on Labour Day, was officially opened by Australian Prime Minister John Howard and attended by his deputy and Trade Minister Tim Fischer.

Not for Abac the usual fanfare and wide media coverage accorded to the annual Apec leaders meeting in November.

How can one compare the attraction and popularity of US President Bill Clinton and even our own Prime Minister Datuk Seri Dr Mahathir Mohamad to that of business leaders such as Nutri-metics International chairman Imelda Roche of Australia, Chia Hsin Cement Corporation President Nelson Chang of Taiwan and our very own Malaysia Airlines executive chairman Tan Sri Tajudin Ramli.

Do not, however, let the low profile nature of Abac members or the meetings fool you into thinking that whatever they have to say is any less significant than those made by their government leaders.

These, after all, are people who are powerful and influential in their own right. They are the ones who are going to promote the main reason behind Apec's establishment - to boost trade and investment within the 18-member grouping which celebrates its 10th anniversary this year.

As the private sector arm of Apec, Abac - made up of business leaders selected by their respective governments - provides private sector feedback and advice to governments so that Apec's vision of a better trading and investment environment in the Asia-Pacific can be better realised.

The closed-door discussions by the five task forces, including one on finance and E-Commerce, were as intense as those that went on during the leaders' meeting.

But sometimes, the wheels of decision-making and policy implementation move slowly. In fact, a bit too slow to the liking of businessmen whose success depends on them making the fastest move.

Tajudin, who is Abac chairman, said to a certain extent, Abac is still confined by bureaucratic processes.

"Matters that need attention are still not being attended to as fast as we will like them to be."

Referring to the financial difficulties faced by some member economies as a result of the Asian economic problem, Tajudin said:

"A neighbour's house is on fire and yet we are still debating on rules and regulations on who is best to put out the fire. Yes, rules and regulations must be followed but in the meantime, the fire has to be put out as soon as possible."

That is why Tajudin is asking Apec-member economies in general and fellow members in particular to go back to the basics.

"Let's look back at the main reason behind Apec. The key word here is co-operation. Let's get that spirit back on track."

One of the speakers at a luncheon held in conjunction with the meeting, Brunei's representative Timothy Ong, suggested that Apec members could act as the "early sign" warning among themselves.

Fellow members should be able to watch out for each other and warn those

in danger of committing the same financial and economic mistakes before intervention from international financial institutions such as the International Monetary Fund and the World Bank, said Ong who is the managing director of the National Insurance Company of Brunei.

When Finance and Trade Ministers of Apec meet later this month and next month, respectively, they will be asked to consider recommendations made at the Sydney meeting.

Of immediate interest will be the proposal that international financial institutions such as the Asian Development Bank come up with credit enhancement facilities such as guarantees to private lenders to encourage the extension of credit to Apec members seriously affected by economic problems.

Credit is not readily forthcoming to economies in need because private lenders are still wary of the ability of these countries to repay their loans.

Because it takes a while to regain investor confidence, it will help if international institutions provide some assurance by this risk sharing. It is not money that Abac is asking these institutions to give, only their stamp of approval.

The ball is now in the court of the government leaders, and ministers. Let's hope those wheels are turning at a much faster pace, for everyone - businessmen, man-in-the-street and leaders alike - must have realised that the economic problems need fast action and fewer words. Mere words, no matter how comforting, are not the solutions.

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