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NEAC panel seeks all-level feedback (HL)

Kamarul Yunus

FOREIGN fund managers, mid-level company executives and journalists can expect to be called in by the working committee of the National Economic Action Council (NEAC) when it sets out to gauge the impact of the country's economic problems and seek solutions.

Dr Fadil Azim Abbas, who heads the secretariat for the working committee, said the committee, which is chaired by Economic Adviser Tun Daim Zainuddin, will draw feedback from every citizen level.

Also called the NEAC's "expert group", the committee will call up not only chief executive officers of companies in a particular industry, but also mid-level managers, including branch managers.

"The committee's brief is to get detailed accounts of how specific businesses are run and what kind of problems they have ... and some of the problems may not be common knowledge of CEOs," Fadil said in an interview in Kuala Lumpur.

The NEAC, chaired by Prime Minister Datuk Seri Dr Mahathir Mohamad, held its inaugural meeting on January 22. Daim is also executive director of the NEAC.

Together with Daim on the committee are Public Bank Bhd chairman Tan Sri Thong Yaw Hong, Land & General Bhd chairman Tan Sri Wan Azmi Wan Hamzah, Universiti Malaya economic faculty lecturer Assoc Prof Dr Mahani Zainal Abidin and the Treasury's secretary of the economic division Siti Hadzar Mohd Ismail.

This expert group has the task of covering seven areas: direct foreign investment, banking and finance, capital market, currency, current account deficit, development of key economic sectors, including Petronas and social issues arising from current economic problems.

Fadil said the working committee, in fact, started work weeks before the first NEAC meeting on January 22. It covered major macro economic issues in its discussions.

"First, we just started collecting input from the Government, involving the Treasury, Bank Negara, the Economic Planning Unit (EPU) and other civil organisations.

"After obtaining the macro aspects of economic problems, we started focusing our discussions on issues concerning finance and banking, industries and the property sector.

"Problems related to credit facilities were among issues discussed by the committee and the recommendations were brought up during the council's inaugural meeting last week," he said.

The modus operandi of the committee is comprehensive and in-depth. "The committee will ask those attending the meetings how economic problems had affected their respective companies and how they deal with the problems.

"From there, and after further analysis, we can get ideas which can be used to formulate overall strategies for the country's economic recovery," he said, adding that "deliberations were almost always deep and serious".

Fadil said the working committee started its fact-finding missions on some of the issues affecting the economy on January 8, two weeks before the NEAC met. These meetings ended after four days.

Explaining the work flow at the secretariat, Fadil said deliberations by the working committee will be submitted to the council's executive council which meets regularly. The exco comprises the Prime Minister, his deputy, the executive director and two other members who have yet to be appointed.

The exco will then decide whether deliberations need to be submitted to the full NEAC for decisions to be made or passed straight to the Cabinet.

The exco's duty is to ensure current economic problems can be resolved expeditiously and that decisions of the NEAC are implemented effectively.

Fadil was quick to point out the NEAC merely offers suggestions and recommendations to the Government for consideration, adding that the Cabinet is still the highest decision-making body.

He said the roles of the secretariat are basically operational and analytical.

In its operational role, the secretariat will arrange meetings for the working committee, while the analytical function will entail the analyses of the currency market, international and other economic issues.

"We are also linked directly to the Kuala Lumpur Stock Exchange and the Reuters on-line service so that we will be able to monitor the market's situation. This will enable us to function like an early warning system to the Government," he added.

Fadil said the secretariat is awaiting approval from relevant authorities for it to engage permanent staff to analyse and monitor markets round the clock.

The secretariat now operates with five staff seconded from the EPU.