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A winning message from the Langkawi International Dialogue

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THE Berjaya Langkawi Beach Resort is an unlikely venue for the deliberation of global issues like the role of the International Monetary Fund (IMF) and currency controls.

Perched at the end of a roller-coaster of a road, just past the set built for the movie "Anna and the King", the collection of luxury chalets looks more suitable for a reunion beach party than for discussions to chart Asia's comeback from the 1997-98 economic crisis.

Then again, the Langkawi International Dialogue is an unlikely way of solving problems. It promotes smart partnership for mutual benefit, which is based on a conviction that the pursuit of economic prosperity need not be a zero-sum game.

It has no tangible international clout, no secretariat, no agenda for lofty declarations or anything that bind anyone to conclusions arrived at once they leave this sparkling gem of a resort island. During a briefing for the just concluded dialogue, a journalist asked the organisers to define the word "smart".

At the Langkawi dialogue, this time as much as the preceding three occasions, participants sit at tables and discuss, break for lunch and discuss again. To the uninitiated, it looks like just so much talk. To journalists, it is a nightmare to try to generate good copies about a lot of people agreeing with each other.

To those who has undergone the experience, however, it is a revelation on how international relations can and should be handled and how much can be achieved through trust and civility.

Into its fourth edition, the Langkawi International Dialogue's smart partnership thrust has indeed made substantial headway. We now have the South Africa International Dialogue, and also one for the Caribbean countries. In addition, there are national dialogues in Mozambique, Zimbabwe, Botswana and St Lucia, and the next Commonwealth Heads of Government Meeting is likely to be run in keeping with the concept. The success of the Langkawi format is that no one brings any demands to the table and no one is committed to anything. This promotes frank and magnanimous exchange of views that leads to problem-solving of the most tangible kind. To some participants, it is the ultimate networking party. "It open doors," said an official of Telekom Malaysia Bhd, the main sponsors for this year's event.

Having said all that, the Langkawi International Dialogue this year decided to produce a Langkawi Message, a godsend no doubt for desperate reporters. At last, here is something that you can wrap your fingers around, caress and admire. A written document to pore over.

It doesn't demand anything, it doesn't say what the Langkawi Dialogue partners are to do. It doesn't take the the Western textbook economists to task, and it doesn't even mention the International Monetary Fund, the World Bank and the US Treasury Department by name.

It is a gentle reminder that the West does not hold all the answers. That there is no such thing as a single cure for all that ails economies and that just maybe we do not have to be haggling for something all the time.

It calls for recognition of the smaller economies' right to be protected from being exposed to incidental damage when huge sums of capital are moved around in massive swirls in search of profits. It also calls for

measures to counter any future financial crises that pose a threat to the socio-economic structures of less developed countries.

The Langkawi Message in other words can only have been the product of the Langkawi International Dialogue.

In it is virtually the Malaysian blueprint for countering the effects of an externally generated economic crisis. The Malaysian approach, roundly condemned by the financial powers 18 months ago, has gained new respect because it works. This was very much in evidence in Langkawi, and we now have the real prospect of having to export our knowledge to several African countries that appear to be facing early signs of an economic crisis.

During the proceedings, we heard that the Asian crisis is over, but the machinations that led to the turbulence are appearing in the US economy. An economist warned that a recovering Asia would attract capital away from the US where people are mispricing risks, allocating funds from productive areas to the more risky and, to some, more exciting derivatives, and where over-confidence is leading to policy mistakes.

But even if the predicted hard-landing for the US economy materialises, it does not bring any satisfaction to Prime Minister Datuk Seri Dr Mahathir Mohamad, who had for so long been the target of ridicule and animosity and all for daring to guide Malaysia way out of the treacherous waters his way.

"We wish the US economy well," he said. The Langkawi Island Dialogue is a win-win game, and so it is.

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