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INVESTMENTS-MSK

MSK WOULD TRIGGER FRESH WAVE OF INVESTMENTS IN M'SIA, SAYS IT EXPERT

By: S.Durga Varma

AGRA, NEW DELHI, Dec 17 (Bernama) -- A leading information technology expert here today predicted that there will be a surge next year in the number of US and European companies establishing operations in Malaysia under incentives provided by the Multimedia Super Corridor (MSK).

This is the view of Darryl Carlton, the chief executive of BizTone.com Sdn Bhd, who said that Prime Minister Datuk Seri Dr Mahathir Mohamed's victory in the recent elections would translate into increased direct foreign investments in Malaysia's information technology sector.

In an interview with Bernama here, he said incentives offered by the MSK were catching the attention of high technology companies especially in the United States, where the cost of hiring knowledge workers along with other critical operating costs were becoming prohibitively high.

"With a decisive election win and continuity of IT policies under a stable government, the formula is in place for a fresh wave of foreign investments into Malaysia's IT sector," said Carlton.

He added that the MSK is unique, giving Malaysia the distinction of being one of the few countries to have created a roadmap for the future, thanks to the vision and commitment of the Malaysian prime minister.

"This is quite a different situation compared with other countries, where political leaders merely perform as expected of them, so they win the next elections based merely on their popularity," Carlton said.

BizTone.com is the innovator of business software delivered as a "rented" service over the Internet.

Though Carlton acknowledged that MSK faced a long road ahead and may need to make policy adjustments in the face of fast changing global IT trends, it has achieved admirable success since its inception.

One critical factor Carlton identifies for the MSK's success, is the fact that it touches the lives of almost every Malaysian.

"While critics decry it as another one of Malaysia's mammoth dreams that waste taxpayers' money, the Prime Minister has translated the MSK into a living reality that involves everyone in Malaysia.

"Even the taxi driver can tell my foreign business associates that the MSK is the national IT initiative to convert the country into a knowledge-based economy.

"The taxi driver may not have access to a computer, but his children and his neighbours' children do," he added.

Carlton also said that this level of involvement by the man-on-the-street does not happen even in advanced countries, as represented by America's Silicon Valley, where IT is the business of a small elite that eludes the common man.

"No doubt, the MSK cannot be compared with the Silicon Valley. However, it would be good to remember that there is only one Silicon Valley in the entire world and it happened by chance. Not even elsewhere in the US can they create a similar IT hub," he added.

Comparing costs between Malaysia and the US, Carlton said starting a similar business in the US would need US\$65 million in venture capital funds, while BizTone.com operating in Malaysia was able to undertake R & D and get its world-beating software to market with only US\$1.5 million.

"As more employment opportunities in Asia open up, there are greater number of people seeking to be trained in IT, resulting in a larger pool of skilled manpower," he added. -- BERNAMA

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