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PM: Foreigners missing out on profitable investments

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MANY foreign investors missed out on profitable investments in Malaysia because they had based their decisions on information they received from the media, Prime Minister Datuk Seri Dr Mahathir Mohamad says.

In the case of the Malaysian stock market, they missed the chance to make huge gains because the Kuala Lumpur Stock Exchange Composite Index (KLCI) has risen by almost 200 per cent since September 1998, he said yesterday.

As the Prime Minister was speaking, shares were being traded higher across the board. The KLCI touched a 21-month high of 800.36 at 11.00am, before slipping on late profit-taking to end the day at 793.43, up 7.41. People invest in a country or make a visit depending on what they see or hear or read. Prospective investors were affected by distorted reports being spread last September, Dr Mahathir said.

The impression one gets from the Western media is that "Malaysia is unstable and dangerous even; not the place to hold an international conference; certainly not a place to invest", he said when opening the ISCB (Integrated Strategic Communications Bullseye) Worldwide Partners 1999 Annual Meeting in Kuala Lumpur.

News reports have the same effect as advertising, he said, acknowledging that Malaysia had faced a period of economic instability and also some political disturbance following the sacking of former deputy prime minister Datuk Seri Anwar Ibrahim.

"Today, of course, you don't see anything amiss in Kuala Lumpur. It is its usual bustling self. Construction work is almost back to pre-economic turmoil days. The shopping complexes are full of people. And everyone is busy contributing to the country's wealth.

"This is the true picture. But as you know, this is not the impression you get when you read the media reports or watch the news on television," Dr Mahathir said.

The temptation to distort and to misinform seems irresistible to some people, he said. Take the movie, "Entrapment", for example.

"We are horrified to find that the (Kuala Lumpur City Centre) Twin Towers are pictured as rising from the 'slums' of Malacca 150km away," he said.

The movie, starring Sean Connery and Catherine Zeta Jones, had scenes of the main characters taking a boat ride on the Malacca River, flanked by slums and squatter houses. In the background was the Twin Towers.

"The distorted view of the Twin Towers will certainly make movie audiences in the rich countries conclude that Malaysia is one of those developing countries which waste public funds, perhaps even foreign aid, on useless grandiose monuments.

"And they of course would now not want to come and see the tallest buildings in the world.

"I really cannot understand why we need to distort and harm when we can be charitable without any additional cost to ourselves," he said.

Dr Mahathir said the Twin Towers are in fact in the middle of a modern city and surrounded by 20ha of gardens, where "people enjoy their evenings and weekends, people who are well-fed, well-clothed and probably well-heeled as well".

Turning to ISCB Worldwide, he thanked the consortium of 100 advertising agencies in more than 50 countries for assisting its local partner to

undertake the "Malaysia: Bullish on Bouncing Back" international campaign last year.

"The campaign encouraged other similar undertakings - not only in Malaysia, but also in other Asian countries - to restore peoples' confidence to overcome this so-called 'Asian flu', although as a medical doctor, I never doubted for even one moment the ability of Malaysia and Asia to recover.

"And I would like to report that Malaysia is indeed bouncing back strongly."

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