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Group committed to open economies policy

Baidura Ahmad in Bandar Seri Begawan

APEC, the 21-member Asia Pacific economic grouping that includes Malaysia, remains committed to its policy of open and interdependent economies and plans to launch the new round of WTO talks by next year.

In a declaration at the end of their two-day informal summit here Apec leaders reiterated the need to "expeditiously" launch a new WTO round for the benefit of all members, particularly the least-developed and developing economies, despite the setback caused by the Asian financial crisis.

"We agree that a balanced and sufficiently broad-based agenda that responds to the interests and concerns of all WTO members should be formulated and finalised as soon as possible in 2001 and that a round be launched next year," the declaration said.

The inclusion of the word "agenda" and a definite time commitment of 2001 shows the true spirit of Apec, which operates on consensus.

Economic disparity between the haves and the have-nots had been the main reason why developing countries in Apec had resisted efforts by the developed nations to commit Apec to a new round of talks in 2001.

In fact the debate almost always boiled down to between developed economies of the US and Australia and developing-yet-vocal Malaysia.

Malaysia, led by Prime Minister Datuk Seri Dr Mahathir Mohamad and Minister of International Trade and Industry Datuk Seri Rafidah Aziz, has been very vocal about wanting to prepare an agenda of things that is to be launched before committing to a deadline.

This is so that everyone knows what it is giving and receiving in the name of globalisation or open trade. To increase momentum towards the launch of the new round, the declaration said the leaders welcomed the progress made to develop the strategic Apec plan on building capacity to implement WTO agreements.

Least-developed economies were urged to implement and participate more in market access initiative or in other words, to open up more of their markets. The Jerudong Declaration, named after the summit's venue at the Jerudong Polo Club just outside the city centre, also noted the risks posed by volatility in the oil market to the world economy.

The declaration groups its statement under four headings; managing globalisation, creating new opportunities, strengthening the multilateral trading system and making Apec matter more.

Under managing globalisation, it acknowledged that meeting the wide range of social economic challenges that globalisation posed would not always be easy.

The leaders said they understood that there were rural and provincial Apec communities who had yet to gain the benefits of economic growth, plus those who had been hard hit by the economic crisis "have had their faith in openness severely tested".

"We, therefore, ask our ministers and officials to ensure that Apec's economic and technical co-operation programmes are clearly targeted and more focused to achieve practical outcomes which will help our economies build the necessary capacity."

Lately, Apec which is into its ninth year, has come under criticisms by both members and outsiders as irrelevant in the face of many other regional trading blocks as well as bilateral agreements between members.

Its effectiveness was also questioned, particularly by its business

community during the 1997-1998 crisis, when it failed to deliver concrete assistance as businesses suffered and even collapsed in some member economies.

The declaration stated that leaders resolved to continue their work at international forums to help shape the global economy and provide a more secure and stable financial environment for both developed and developing countries.

Under creating new opportunities, the declaration focused on information and communication technology revolution, which "carries with it unprecedented opportunities in a new style of economy with new forms of markets".

Everyone was concerned about the digital divide.

"Our vision is to prepare all of our people to use the technology revolution as a passport to the fruits of globalisation. We commit to develop and implement a policy framework which will enable the people of urban, provincial and rural communities in every economy to have individual or community-based access to information and services offered via the Internet by 2010."

Lastly, in line with this year's theme of "Delivering to the Community", leaders want to make Apec matter more.

"We continue to place the highest priority on facilitating the flow of goods and services and to reducing the cost of international transactions for the benefit of business and consuming public."

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